MANAGERS’ PERCEPTIONS OF CORPORATE SOCIAL RESPONSIBILITY: THE CONSTRUCTION INDUSTRY IN VIETNAM

A thesis submitted in fulfillment of the requirement for the Degree of

Doctor of Business Administration

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STATEMENT OF AUTHENTICATION

The work presented in this thesis is, to the best of my knowledge and belief, original except as acknowledged in the text. I hereby declare that I have not submitted this material, either in full or in part, for a degree at this or any other institution.

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ABSTRACT

Severe scandals in the business context in Vietnam, such as the collapse of the Can Tho bridge in 2007, discharging untreated sewage into the ThiVai river by Vedan Food Manufacturer in 2008, and ‘death holes’ emerging after building a sewage system in 2010, among others, have raised concerns from the public about responsibilities of business towards society. In order to evaluate Corporate Social Responsibility (hereafter called CSR) activities of business organizations, it is necessary to investigate CSR perceptions of managers who have significant influence on organizations’ values and practices.

The CSR pyramid of Carroll (1991, p.270), which consists of four categories of responsibilities, namely economic, legal, ethical and philanthropic responsibilities, is employed to frame this study. The major objective of this study was to explore managers’ perceptions of CSR by using an exploratory qualitative approach. In particular, the study also examined factors influencing perceptions of managers; which have never been determined in previous studies. The construction industry is selected because of its role in the Vietnam’s economy and the poor quality of many construction projects. For these reasons, most of the companies approached are contractors. The participants in this study are senior and middle managers of contracting companies, construction, manufacturer, and design and consulting corporations. Therefore, the key selected sampling is purposive and snowballing. The method used to collect data is by in-depth interview, and thematic analysis is employed to analyze the collected data.

The research findings refine and extend the pyramid first presented by Carroll (1991). Managers’ perceptions of CSR are in line with Carroll’s economic and legal categories. Some issues in managers’ perceptions, which emerge in the context of Vietnam, extend the pyramid of Carroll (1991), such as ethical and philanthropic responsibilities. The findings also modify the matrix of stakeholders and responsibilities, which Carroll (1991) suggested, to apply to the construction industry in Vietnam. In this matrix, new stakeholders of construction companies are specified. In particular, the study identified two additional factors which are influential in forming managers’ perceptions of CSR. Lastly, the lack of CSR information and instruction in Vietnam is affirmed.
The study pointed out the limitations of the small sample size and of not exploring actual CSR practices. From the research findings, recommendations about training and professional associations are proposed. Finally, issues for further research are considered.
CHAPTER 1 - INTRODUCTION
1.1 Introduction

This introductory chapter is to overview the study which focuses on an exploration of managers’ perceptions of corporate social responsibility (CSR) and provides a contribution to CSR literature in developing countries. The thesis is titled *Managers’ perceptions of Corporate Social Responsibility: The Construction Industry in Vietnam*.

The background of CSR research indicates that there are gaps in the literature. In particular, CSR literature in developing countries is meagre and, in particular, there is little published on managers’ perceptions of CSR in developing countries. With the purpose of bridging identified gaps in the literature, research questions are determined.

This chapter also points out the scope of this study and provides necessary definitions of important terms used in the study. Finally, it provides the structure of the study and previews of subsequent chapters.

1.2 Research background

Corporate social responsibility (CSR) has become a term widely discussed in the global business context. It is an emerging concept which has had considerable influence on business and other organizations in recent years because it is assumed to help address and balance the benefits for companies and for different stakeholders (Gyves and O'Higgins 2008). It is also claimed that CSR supports business by harmonizing different responsibilities which should be fulfilled in their operations (Hine and Preuss 2009). Because of its significance, the concentration in organizational discourse and scholarly research on CSR has been increasing; especially in advanced economies.

Due to the increasing number of business scandals, corporations are required to be, or at least there are increasing expectations for them to be more socially responsible (Ting, Ramasamy et al. 2010; Athanasopoulou 2012). This pressure does not only impact firms in developed societies, but also in developing countries. Even though CSR is significant and necessary and becoming a requirement for business organizations, most studies have been conducted in developed, not in developing countries (Belal 2001; Dobers and Halme 2009; Gao 2009; Zhou, Poon et al. 2012; Azmat and Ha 2013). In a comparison with research on CSR conducted in developed
countries, studies on CSR in developing countries are still inadequate to depict and understand this issue (Rettab, Brik et al. 2009; Gao 2011). Not only limited by the number of studies, research on CSR in developing countries is also an under-explored and poorly studied discipline. Not much is known of CSR in developing countries (Belal 2001; Rashid and Ibrahim 2002; Amaeshi, Adi et al. 2006; Jamali and Mirshak 2007; Dobers and Halme 2009; Gao 2009; Ramasamy and Yeung 2009; Rettab, Brik et al. 2009; Arevalo and Aravind 2011). Findings from studies show that CSR in developing countries is largely to engage in philanthropic activities (Ahmad 2006; Amaeshi, Adi et al. 2006; Jamali and Mirshak 2007; Ting, Ramasamy et al. 2010; Amaeshi 2011). In their study, Ting, Ramasamy et al. (2010) stated that, in developing countries, CSR may not be high on firms’ list of objectives due to the competition in local and global markets; and maybe resorted to by a few philanthropic activities to attract media attention. In order to respond to competitive and globalisation pressures, CSR in developing countries should be considered as a tool not only to gain competitive advantage, but also to ensure sustainable development (Das 2009). Therefore, it is significant to conduct more research on CSR in developing countries to explore its nature in local contexts and propose appropriate recommendations for business organizations to adopt CSR in practice (Belal 2001; Gao 2011).

One finding from CSR research is that the role of the leaders is crucially significant in adopting and practicing CSR in their organizations (Waldman and Siegel 2008). This is because their influence in the organization is of critical importance. The influence of leaders is not only on employees but also on the other stakeholders, such as consumers, government and the community (Berson, Oreg et al. 2008; Waldman and Siegel 2008). The primary reason to explain their influence is that leaders are the ones who represent their organization and make decisions affecting organizations’ operations (Quazi 2003). Moreover, leaders also act as the formal link among stakeholders, such as the shareholders, non-owner shareholders, employees (Hung 2011). In his study, Hung (2011, p.385) discussed that one of the roles of leaders in CSR can be to help ‘enhance sustainable competitive advantages of business organizations through effective interaction with stakeholders’. Leaders’ understanding of CSR can directly impact firms’ CSR activities because they are the ones who disseminate and spread their own interest in social responsibility to their employees.
and other stakeholders by integrating their interest into business strategy (Godo-Díez, Fernández-Gago et al. 2010), defining firm’s responsibility ‘path’ (Athanasopoulou 2012), and shaping firms and their activities (Pedersen and Neergaard 2009). Therefore, leaders’ perceptions of CSR have a significant influence not only on how CSR is introduced, but also on how CSR is disseminated and practiced in their corporations. In other words, leaders’ perceptions of CSR are the main attribute to understand CSR practices of firms and level of supports CSR in firms (Hine and Preuss 2009; Zu and Song 2009).

The review of literature on managers’ perceptions of CSR in developing countries shows that scholars mostly employ quantitative approaches to address and answer their research purposes. Focus has been on questions of attitudes towards and perceptions of CSR (Gill and Leinbach 1983; Quazi and O'Brien 2000; Rashid and Ibrahim 2002; Hong 2007; Zu and Song 2009). These research findings are significant contributions to CSR literature in developing countries; however they do not reflect comprehensively how managers understand CSR. In particular, those studies are insufficient to understand and explain managers’ behaviours and activities relating to CSR. This is because findings from the studies are drawn from structured questionnaires which did not offer any space for respondents to express their own thinking.

One point worthy to note is that in the literature review for this thesis, no studies have been found that have explored and discussed why managers have the attitudes towards, or perceptions they have of, CSR. Identifying factors which form and influence managers’ perceptions is significant to an understanding and explanation of their behaviours and activities relating to CSR. Understanding how managers’ perceptions of CSR are shaped and what affect their understanding of CSR can contribute to programs to develop their perceptions of CSR. First, identifying these determinants will help policy-makers in issuing appropriate policies and setting an appropriate business context to encourage CSR practice of business organizations (Idemudia 2010; Škare and Golja 2014). Second, it helps administrators of business sectors in terms of social business strategies (Quazi 2003). Third, it can also help management boards of corporations in setting and changing organizational working environments which support CSR practices. In addition, management boards can base on identified determinants to recruit or promote appropriate managers in order to
reinforce their firm’s capability in practicing CSR. Therefore, a study investigating managers’ perceptions of CSR is necessary because of their special role in adopting and diffusing CSR in business (Berson, Oreg et al. 2008; Waldman and Siegel 2008).

In Vietnam, CSR has recently been receiving some attention. CSR was introduced to business organizations in Vietnam by transnational corporations and international organizations and it was the World Bank which introduced the concept of CSR to the Vietnamese government in 2003 (Hamm 2012). There was, in 2005, the CSR Vietnam forum (http://www.vietnamforumcsr.net) which was initiated in order to provide CSR resources and CSR information for business organizations. However, from that time, CSR has not been studied and practiced in Vietnam and it is still a new and ambiguous concept to business organizations.

Vietnam is a developing country and akin to other Asian countries, which have been facing many environmental concerns and scandals (Hamm 2012). One of the most serious environmental crises happened in 2008. It involved the Vedan Company (a Taiwanese food manufacturer), which discharged a large amount of untreated sewage into the Thi Vai River (Dong Nai province, Vietnam). The scandal raised serious concerns of the neighbouring communities and the whole society about the social and environmental responsibilities of business. From that time in 2008 to now, many other scandals in different sectors, such as the food industry, dairy industry, and the construction industry, have continued to happen. However, research on CSR practices in Vietnam remains limited.

As well, CSR in Vietnam has not been a priority in business operations nor in buying-decisions from the consumers’ point of view (Huong 2008a). From the view of business organizations, it has been claimed that most of companies regard CSR as a costly and challenging activity (Van and Chan 2008). Therefore, in Vietnam CSR is largely only understood as voluntary and charitable activities, or to do with labour relations and environmental issues (Institute of Labour Science and Social Affairs 2004; Chi 2008; Huong 2008a; Huong 2008b; Thang 2008). The first study of CSR in Vietnam was conducted by the Ministry of Labour, Invalids and Social Affairs in 2004 and sponsored by the World Bank in order to increase the competitiveness of Vietnamese enterprises (Institute of Labour Science and Social Affairs 2004). However, the study only focused on labour practices in the footwear and garment
industries and not on other aspects of business practice. In particular, there is no research on how Vietnamese practical managers perceive CSR.

In brief, some salient points emerged from the existing literature. The first is the lack of CSR literature in developing countries. Secondly, investigating managers’ perceptions of CSR is because of their crucial role in disseminating CSR. Thirdly, existing studies of managers’ perceptions of CSR, which were conducted by quantitative methods, are insufficient to identify and explain their understanding of CSR in order to implement it in their business. Fourth, factors influencing managers’ perceptions of CSR have not been explored and discussed in previous studies. Lastly, there have been few previous studies on CSR in Vietnam.

1.3 Why the Vietnam construction industry?

1.3.1 Economic overview

Vietnam is a developing country with a high GDP growth rate. Before the global financial crisis in 2008, real average GDP growth was more than 7% per year in the years 2003-2007. It was 5.3%, 6.8%, and 5.9% in 2009, 2010 and 2011, respectively (The World Bank 2012). The inflation rate was also increasing from 7% in 2009, to 8.9% in 2010 and 18.7% in 2011 (The World Bank 2012). Table 1.1 presents indicators of inflation rates, GDP and exchange rates of Vietnam.

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation rate (% change)</td>
<td>7.8</td>
<td>8.3</td>
<td>7.4</td>
<td>8.3</td>
<td>23.1</td>
<td>7.1</td>
<td>8.9</td>
<td>18.7</td>
</tr>
<tr>
<td>GDP (% real growth)</td>
<td>7.8</td>
<td>8.4</td>
<td>8.2</td>
<td>8.5</td>
<td>6.3</td>
<td>5.3</td>
<td>6.8</td>
<td>5.9</td>
</tr>
<tr>
<td>Exchange rate (VND per $US)</td>
<td>15,746</td>
<td>15,858.9</td>
<td>15,994.3</td>
<td>16,105.1</td>
<td>16,302.3</td>
<td>17,065.1</td>
<td>18,612.9</td>
<td>20,509.8</td>
</tr>
</tbody>
</table>

(The World Bank 2012)

The national economic structure consists of state-owned enterprises, and increasingly the private sector which contributes 60% of GDP (Euromonitor 2010a). This result is derived from the privatization policy of the Vietnamese government which is intended
to reduce the number of wholly-state-owned companies. The population of Vietnam reached 88.84 million in 2011 and the population active in the workforce is over 65%. Economic growth, much of which has been urban-centred, has led to rapid rural-to-urban migration and urbanization. In order to meet the requirements of this rapid economic growth and urbanization, the construction industry is one of the most rapidly developing sectors and has a large number of registered companies (see Table 1.2).

Table 1.2: Companies in construction industry

<table>
<thead>
<tr>
<th></th>
<th>Design services</th>
<th>Consultant services</th>
<th>Executing services</th>
<th>Other services</th>
</tr>
</thead>
<tbody>
<tr>
<td>HoChiMinh City</td>
<td>323</td>
<td>299</td>
<td>244</td>
<td>750</td>
</tr>
<tr>
<td>Hanoi</td>
<td>272</td>
<td>309</td>
<td>222</td>
<td>720</td>
</tr>
<tr>
<td>Others</td>
<td>88</td>
<td>102</td>
<td>97</td>
<td>531</td>
</tr>
</tbody>
</table>

('IBuild' 2010)

Design services refer to firms that are involved in structural or architectural design of construction projects. Consultant services include firms consulting on projects. Executing services include those firms involved in executing or completing a project. Other services include materials manufacturers, import firms, real estate firms, and others. According to Ling et al. (2009), in terms of market size over 74% are small registered companies operating in the construction sector, but medium and large companies contribute up to 89% of the total revenue. Luu et al. (2008) identified some key characteristics of the construction industry. First, the main customers of the industry are government and foreign investors. Second, consistent with the data of Ling et al.(2009), the main players in the construction market are medium and large companies, which make up 20% and 6%, respectively. Third, because of the patterns of economic growth, the main orders are from the major cities like Ho Chi Minh City, Hanoi, and their industrial zones. Fourth, the close and cooperative relationship with local government and authorities who are responsible for placing many of the construction orders is crucial to achieve project orders and contracts. Fifth, financial capacity is of great importance influencing the competitiveness of construction firms (Ling, Pham et al. 2009).
1.3.2 The current major concerns in the construction industry

The construction industry is experiencing rapid growth and has become one of the most dynamic and pivotal industries in Vietnam. The critical role of the construction industry has been affirmed by the Vietnamese government’s goal of developing the national infrastructure as well as the need to accommodate the rapidly growing populations in big cities like Ho Chi Minh City, Hanoi, Cantho, and Danang. Hence, the development of the construction industry has been significantly stimulated by many factors, such as changing demographics, growing population, large scale and rapid urbanization, investment in infrastructure, and rising standards of living.

Although affected by the world financial crisis in 2008, the real growth of the construction industry was still 12% in 2009. Remarkably, the sector accounted for 25.2% of GDP in the first six months of 2010 (Quan 2010) and became the most rapidly developing industry in the production sector, with 23.3% growth in terms of business value in the first eight months (TBKTVN 2010). According to this reporter, business value is the real amount of money and assets that the construction industry achieves; and it has been increasing annually. Growth values of 26.2%, 71.3% and 2.5%, are accounted for by state-owned, private and foreign companies, respectively. Along with this growth, the construction sector has been seen as a large industrial employer whose employed population has been increasing yearly (Bo 2009). This is derived from the expansion of established construction companies as well as the entry of new ones in the market.

Ling et al. (2009) investigated and analysed the strengths, weaknesses, opportunities and threats to construction firms. The authors identified that these firms have been trying to restructure their organizations, invest in R&D, and cooperate with foreign firms. Negative features identified include the lack of knowledge in advanced design and construction technology, the lack of experience in complex projects, the lack of project management capability and the lack of strong financial capacity. These negative features have often led not only to poor quality, but also to employee accidents and health and safety concerns in many projects. Furthermore, Ling et al. indicate that there have been reports of increasing corruption, especially in bidding for new projects. Regarding the quality of construction projects, concerns have been raised not only from owners and clients, but also from the community and the government as well. Many construction projects have suffered faults shortly after
being completed and after being used for a short time (Cuong 2010; Dung 2010a; Dung 2010b; Hung 2010; Thanh 2010), and even during the construction process itself (Tien 2008). Poorly built projects waste investment and cause the injury and death of many workers. As an expert in the sector, Tien (2008) concluded that the firms are lacking not only expertise but also a code of ethics. As noted above, an issue of concern in the construction sector is the increasing corruption; caused in part because ‘gifts are expected or required when dealing with the construction department’ (Bo 2009, p.10). This reportedly happens very often in construction transactions. The ability to achieve construction orders and contracts is impacted by the relationship with the local government or state sector and this may be associated with corruption.

However, the issue of corruption was not addressed directly in the data collection involving interviews as this could have seriously compromised the researcher’s entry into companies and access to managers. In fact, it is a sensitive issue, so that no manager mentioned corruption during the course of the interview. Whenever the researcher asked about the tactics to achieve constructions orders and contracts, some interviewees only stated that they know many corporations also use “cửasau” (backdoor tactics) in bidding for new projects, without elaborating on this, nor did the researcher seek elaboration. The researcher’s Principle Supervisor specifically asked the researcher not to include corruption in the data instruments as this could have impacted on the NEAF (National Ethics Application Form) accreditation to conduct the research.

In the broader view, the significant impact of construction products on societal well-being is of concern not only in a developing a country like Vietnam, but internationally as well. According to Murray and Dainty (2009), this is because the construction sector affects not only human health and behaviour, but also carries significant and far-reaching socio-economic consequences and impacts. The sector’s stakeholders are beginning to pay more attention to the impact of its operations on their environment; therefore, it is timely to have research with provides evidence for and explanations of managers’ perceptions of CSR.

In summing up, to justify selecting the construction industry as the focus of this research, there are some salient factors. First, the construction industry has developed rapidly in recent years and has emerged as an important sector contributing
significantly to the development of Vietnam. Its critical role has been promoted by government and has heavily influenced Vietnam’s economy as well as the employed population. Secondly, the limitations of many aspects in operating and managing projects often lead to the poor quality in construction projects, workplace accidents, and corruption. Lastly, the construction industry impacts heavily on the societal and stakeholders’ environment and well-being.

1.4 Research problem and research objectives

With rapid growth rates, the Vietnam construction industry has been an important sector in the economy which has made a significant contribution to the development of Vietnam. However, the poor quality of many construction projects is leading to severe accidents, such as the collapse of the Can Tho Bridge in 2007. This was the most serious disaster of the construction industry and killed and injured hundreds of workers and engineers (Wikipedia 2010a). According to the results proclaimed by the National Investigation Committee, there were two reasons leading to this collapse (Nhan 2008). First, the contractor did not conduct the geological exploration drilling carefully at the area of the temporary pier foundation. Second, the work of load testing was not performed properly before operating the system of the temporary pier foundation. This disaster raised concerns as to how much construction companies care about relevant stakeholders’ benefits from their operations and leads to questions of their CSR practices.

This study is to fill the gap in the literature on CSR in developing countries by exploring CSR perceptions of Vietnamese managers who are working in the construction industry. The study is to provide a comprehensive understanding of what managers in the construction sector perceive of as CSR. It also examines what their understanding of stakeholders is. They are asked to identify their companies’ stakeholders and what those stakeholders consider in dealing with their companies. This research is different from previous research by using a qualitative approach to explore managers’ perceptions comprehensively; by approaching informants, interviewing them, and letting them freely talk about their understanding and experience of CSR (Flick 2006, p.149).

The gap in the literature about factors influencing managers’ perceptions of CSR is addressed in this study. The respondents were asked to answer the questions ‘Why
managers perceive CSR in the way they do?’ Making an effort to be in line with previous studies, such as Rashid and Ibrahim (2002) and Gill and Leinbach (1983), the study also explored whether there was any factor decisively impacting on managers’ perceptions of CSR.

In addition to exploring managers’ perceptions of CSR, the study is designed to determine differences in managers’ perceptions of CSR. Moreover, it also finds explanation for those differences. This supports a better explanation and understanding of managers’ perceptions of CSR and how these perceptions are formed.

In order to provide an overview of CSR practices in construction companies, the study depicts how CSR is conducted in construction companies through managers’ lenses.

1.5 Research questions

The aim of this study is to find out the notions of CSR in Vietnamese managers’ personal understanding, which is in question: what are Vietnamese managers’ perceptions of CSR? To address this, there are four research questions needs to be properly tackled.

This study is conducted to explore Vietnamese managers’ perceptions of CSR and their personal opinions on issues relating to CSR, including reasons leading their corporations to practice CSR and their understanding of stakeholders. The research focuses mainly on what managers describe of their understanding of four types of responsibilities and illustrate their opinions by practical examples and activities. Therefore, the first research question is “What do Vietnamese managers perceive of as CSR?”.

As mentioned above, the current literature cannot provide any explanation on determinants affecting managers’ perceptions of CSR. This study is to fill the knowledge gap in regard to identifying factors which shape and influence managers’ perceptions of CSR. So that, the second research question is “Why do managers perceive CSR in the way they do?”.

The study also seeks to find out the answer for the third research question “What are the differences in managers’ perceptions and why do these differences exist?”. Based on the characteristics of sample, the study makes comparisons between managers’
perceptions by corporations’ ownerships, their specialisations, interviewees’ ages and their working experiences.

The last research question is about issues in the practice of CSR in interviewees’ companies, from their personal viewpoints. The study investigates a range of real drivers and obstacles in practice, from managers’ perspectives, in conducting CSR in their companies. The answer to this research question plays an important role into depicting and explaining the current situation CSR in Vietnam.

In sum, this study, which explores Vietnamese managers’ perceptions of CSR, is conducted to answer the following research questions:

1. What do Vietnamese managers perceive of as CSR?
2. Why do they perceive CSR in the ways they do?
3. What are the differences in managers’ perceptions and why do these differences exist?
4. From their personal viewpoint, how is CSR conducted in their companies?

1.6 Research scope and necessary definitions

The present study concerns CSR as perceived by managers in the construction industry in Vietnam. Based on the development of CSR definitions, the study employs the CSR pyramid of Carroll (1991), which consists of four categories of responsibilities, namely, economic, legal, ethical and philanthropic responsibilities, to explore managers’ perceptions of CSR.

The main focus of this research is managers’ perceptions of CSR and personal views of managers relating to CSR performance in their companies. In particular, the study investigates personal backgrounds of respondents, such as their education and working history, because such information helps explain their perceptions of CSR. For our purposes, perception is defined as ‘the way we all interpret our experiences’ (Otara 2011, p.21). More simply, perception is ‘the way in which something is regarded, understood, or interpreted’ (Oxford Dictionaries Online 2013). Therefore, in this study, perception of CSR is understood to mean the way managers understand CSR and interpret it in their own words. Managers’ perceptions of CSR are explored by conducting in-depth interviews with semi-structured questions.
The main activities in the Vietnam construction sector are building construction, engineering construction, and industrial construction (Bo 2008). Hence, most selected companies consist of those in these activities. Eventually, there were nine contractors, one construction manufacturer and two design and consulting companies.

In terms of ownerships, the study selected private, state-owned, and joint stock corporations. In joint stock companies, some are owned dominantly by government or state corporations. Those companies are named as State-Joint-Stock companies. On the other hand, some are owned decisively by private shares and are named as Private-Joint-Stock companies. The main purpose of the study is to investigate managers’ perceptions of CSR of the construction industry. Therefore, the study does not employ any joint venture or fully-foreign owned companies, which are influenced and directed by parent corporations overseas.

In terms of participants, this study approached senior and middle managers to conduct interviews. Middle managers are ones who ‘manage other managers and supervisors, and groups of primarily exempt employees’ (Kay 1974, p.261). In this study, middle managers include project managers, heads of department and heads of subsidiaries. Senior managers are ones whose positions are between manager and general manager (Reh n.d.). With such a definition, senior managers also include middle managers. Therefore, to make a clear boundary, in this study senior managers are ones in the top management level of construction companies; such as CEOs, Deputy General Director, Directors and Deputy Directors. Altogether, twenty one interviews were conducted.

1.7 The structure of the study

Including this chapter, the study consists of six chapters, namely: Chapter 1 - Introduction, Chapter 2 - Literature Review, Chapter 3 - Methodology, Chapter 4 - Vietnamese managers’ perceptions of CSR and stakeholders, Chapter 5 - Influences on, differences in perceptions of CSR and conducting CSR in construction companies, and Chapter 6 - Discussion and conclusion.

Chapter 1, the Introduction, provides an overview of the study, research problem and questions. It also provides the boundary and the structure of the study.

The Literature Review, Chapter 2, provides a theoretical framework and the background to this study. It reviews the development of the CSR concept and explains
why Carroll’s (1991) CSR pyramid was employed to frame the study. Next, it justifies how significant roles of leaders are in disseminating CSR and why an investigation of managers’ perceptions of CSR is necessary. Then, CSR literature in developing countries, those in Vietnam, and those in the construction industry are reviewed in order to illustrate the need for this study.

Chapter 3, *the Methodology*, explains why a qualitative approach was chosen to undertake this study. It describes the sample of the study and how the sample was approached. In addition to the sample, participants of the study are described in detail. The method used to collect data was by in-depth interview. Lastly, the method and process used to analyse the data is presented in this chapter.

Chapter 4 and Chapter 5 report the data collected in the research, by way of a discussion of the themes and sub-themes identified in the interviews. They also provide explanations for the issues raised from the data analysis. Chapter 4, *Vietnamese managers’ perceptions of CSR and stakeholders*, focuses on how Vietnamese managers perceive the concept CSR. Based on the CSR pyramid of Carroll (1991), themes are first presented in four categories of responsibilities. Then, any data which do not fit in Carroll’s pyramid are grouped in another category of responsibilities. Moreover, in this chapter, managers’ perceptions of stakeholders are also presented. Construction companies’ stakeholders, company priorities in satisfying those stakeholders, and issues considered by stakeholders in dealing with these construction companies, are reported.

Chapter 5, *Influences on, differences in perceptions of CSR and conducting CSR in construction companies*, reports factors forming and influencing managers’ perceptions of CSR. Comparisons between managers’ perceptions of CSR and stakeholders are presented. The purpose of those comparisons is to identify whether there are differences in their perceptions and why those differences exist. Finally, the chapter gives some insights into managers’ evaluations of how CSR is conducted in their companies.

The final chapter, *Discussion and Conclusion*, discusses the research findings and concludes the thesis. This chapter discusses data analysed in Chapter 4 and Chapter 5, and summarises how the four research questions are addressed. In particular, Carroll’s (1991) CSR pyramid is affirmed in economic and legal responsibilities and refined in
ethical and philanthropic responsibilities. The pyramid is also extended by some new responsibilities, which emerged in the context of Vietnam. Likewise, the stakeholder/responsibility matrix of Carroll (1991) is also refined for the context of the construction industry in Vietnam. Of significance to this study was to identify factors influencing managers’ perceptions of CSR. This point has never been discussed in any previous studies. Conducting CSR in construction companies is also discussed in this chapter. The chapter also indicates implications and recommendations from the research findings. Lastly, limitations of this study and recommendations for further research are considered.

1.8 Limitations of the study

This study is exploratory qualitative research and the most appropriate method used in this case is to collect data is in-depth interviews (Thompson, Locander et al. 1989) with informants in order to understand their perceptions of CSR in depth. Akin to other qualitative studies, this study employs a small sample size to collect data. Therefore, the main limitation of this study is that with a small sample size, the research findings about managers’ perception of CSR cannot be generalised, though inferences may be drawn. Another limitation is that this study researches attitudes and perceptions, not actual practices. There may be areas of discordance between expressed attitudes and actual CSR practices in organizations.

1.9 Conclusion

This chapter plays a role as an introduction to the study. Based on the research background, research questions are proposed in order to investigate Vietnamese managers’ perceptions of CSR. It also provides the reasons why this study is conducted in the construction industry. A summarise of chapters in the thesis is reported, as well.

This study has some significant theoretical contributions. First, this is the first study which is conducted to explore managers’ perceptions of CSR in the Vietnamese construction industry. Secondly, the study contributes not only to research on CSR in developing countries, but also to CSR literature in general. The research findings not only support Carroll’s (1991) CSR pyramid, but also refines its categories of responsibilities and extend the pyramid. Importantly, this study explores factors forming and influencing managers’ perceptions which have never been identified in
previous studies. Furthermore, this study also provides valuable practical recommendations for governments, universities, and business organizations. In particular, the research findings lead to recommendations for changing and re-engineering professional associations.

The next chapter is to provide necessary background for the study. Chapter 2, The Literature Review, justifies the comprehensiveness of chosen theoretical framework and reviews previous studies to illustrate the need for the present study.
CHAPTER 2 - LITERATURE REVIEW
2.1 Introduction

This chapter reviews the literature on Corporate Social Responsibility (CSR), especially CSR in developing countries. This chapter has three objectives. The first objective is to identify a CSR definition as a background for the research. Based on the literature, the pyramid of CSR (Carroll 1991) is used as the conceptual framework to develop the research and analyse the results. The second objective of the review is to demonstrate the pivotal role of managers in CSR implementation and performance. Finally, the literature on CSR in developing countries will demonstrate that research on managers’ understanding of CSR, especially in countries with developing economies, is limited, and does not adequately explain CSR activities in those countries.

The chapter begins with a review of foundational theories which are used to analyse and explain CSR (Moir 2001). Stakeholder theory provides one rationale for CSR and to the people to whom the firm should be responsible. Both social contract theory and legitimacy theory can explain how CSR is a response to society’s expectation to business and its legitimacy. The chapter then continues to review definitions of CSR. There is currently no unified view of CSR (Moir 2001; Balasubramanian, Kimber et al. 2005; Wan-Jan 2006; Ahlstrom and Egels-Zanden 2008; Dahlsrud 2008) that can be applied in research. The history in defining CSR from the 1950s up to now is summarized in order to identify the key themes in documented definitions and research. This section concludes that Carroll’s CSR (1979) definition is more comprehensive than others and it is the most widely-accepted and most used in research. Carroll’s CSR definition is examined and evaluated to justify why it has been used for the framework for this research. The subsequent section is about the leaders and CSR. The role of leaders in CSR dissemination is examined to demonstrate that managers have a very important influence on organizational CSR values, and their knowledge and understanding of CSR is cardinal to CSR implementation (Ciulla 1999; Duarte 2010). Next, the literature on CSR in developing countries is reviewed to identify key characteristics of these studies. In particular, this section reviews the CSR literature on Vietnam. The final section in this literature review chapter is about CSR in the construction industry. The construction industry has a significant influence on society and the environment and the chapter examines the core issues that this industry faces relating to CSR.
2.2 Foundational theories to analyse and explain CSR

For the purposes of this research, there are three identified theories (stakeholder theory, social contract theory, and legitimacy theory (Moir 2001)) which might explain why and how businesses actively undertake CSR.

2.2.1 Stakeholder theory

Donaldson and Preston (1995) stated that the model “management serving the shareholders” is rejected. Their analysis shows that this model is “not only descriptively inaccurate; careful analysis reveals that it is normatively unacceptable as well” (Donaldson and Preston 1995, p.82). They also stated that, this position is supported by the report of American Law Institute in 1992 which affirmed the corporate objective as “enhancing corporate profit and shareholders gain, ‘even if corporate profit and shareholder gain are not thereby enhanced’, the corporations must abide by laws and ‘take into account ethical considerations’ and engage in philanthropy” (Donaldson and Preston 1995, p.82). Indeed, in order to fulfil shareholders’ demand for maximising earning per share, business firms have to respond somehow to the requirements of employees regarding wellbeing and satisfaction at work, quality at work, career development, etc.; or those of customers, such as product quality, safety when using products, transparency of product information, etc.; or those of community as to environmental safety and production. This point is discussed and supported by many studies, such as (Donaldson and Preston 1995; Lantos 2001; Jamali 2008; Groves, Frater et al. 2011; Brower and Vijay 2013).

In his work that proposed a stakeholder approach to business and management, Freeman (1984, p.38) claimed that ‘less emphasis is put on satisfying owners and comparatively more emphasis is put on the public and the employees’. It can be understood that, stakeholder theory is beyond ‘serving shareholder’ and more about the relationship between companies and societal members (Donaldson and Preston 1995). Stakeholder theory is employed to identify and analyse any groups/individuals for whom business organizations should have a responsibility (Moir 2001). Stakeholder theory provides a tool for business to recognise specific stakeholders and their stakes in the business. Carroll (1991) stated that, in the perspective of CSR, stakeholders are named and identified based on their importance to the business and...
which groups of stakeholders business firms must be responsive to. In other words, stakeholder theory is an approach concerned with considering the range of responsibilities of a business firm including but also beyond responsibilities to shareholders (Jamali 2008).

Stakeholder theory was developed by theorists who sought to broaden the firm’s roles to external environments and actors (Freeman 1984; Donaldson and Preston 1995). From this viewpoint, stakeholders of a firm are those who are concerned with a firm’s activities; not only directly but also indirectly. To identify all stakeholders, there is a need to explore how far firm activities extend.

There are many distinguishable ways to define the term stakeholder. Such definitions depend on the way theorists identify the influences of the firm’s activities (Banerjee 2007). In a broad view, firms must satisfy mutually the needs of different stakeholders ‘who can affect or are affected by the achievement of the organization’s objectives’ (Freeman 1984, p.25). In this sense, the firm’s stakeholders are shareholders, employees, customers, suppliers, and the community. The narrow view is based only on an input-output model, or nature of voluntary and involuntary risk (Clarkson 1995), which is relevant directly to the firm’s benefit. In this view, therefore, external stakeholders tend to be of marginal importance.

Another perspective, the exchange relationship with the firm, seeks to identify who its stakeholders are (Hill and Jones 1992). This relationship is based on critical resources these groups supply to the firm and, in exchange, their expectations must be satisfied. The exchange may include capital (high-return on investment, time-skills-commitment) fair income and adequate working conditions. Social communities provide the firm with locations, local infrastructure and, perhaps, favourable tax treatment. In return, they expect the firm (corporate citizens) to not damage the quality of life nor violate the rules of the game established by the public through their legislative agents (Hill and Jones 1992).

Three approaches to stakeholder theory which explain why CSR is needed in the firm, are descriptive, instrumental and normative (Donaldson and Preston 1995). The descriptive approach describes specific corporate characteristics and behaviours, such as the way managers think of the relationships of the firm with stakeholders who have different concerns about the firm’s activities. However, it cannot explain the causes
and effects of stakeholders’ satisfaction and the firm’s performance (Yvon and Salma 2005). The instrumental approach is used by many researchers to explain the causal relationship between stakeholder management and the firm’s performance, though little negative evidence of the relationship has been found (Banerjee 2007). The normative approach explains what the firm should do to satisfy the interests of both direct and indirect stakeholders (Banerjee 2007). Yvon and Salma (2005, p.10) summarize these three approaches in that ‘the descriptive approach tells us how the world really is, normative approach will prescribe how it should be and instrumental approach will indicate the shape we can give to it’.

The key issue from the stakeholder theory perspective is whether stakeholder satisfaction is a motivation for business to be socially responsible (Moir 2001). If so, which groups of stakeholders should the board of management pay attention to? Clarkson (1995) asserts that managers of business organizations cannot focus only on fulfilling shareholders’ requirement. In fact, employees seek a good salary and working condition, while customers require quality and a reasonable price. This leads managers to a challenging situation of deciding which stakeholders’ requirements are more important and urgent (Carroll 1991). The firm’s activities must be approved by these stakeholders. Significantly, while fulfilling shareholders’ objectives, the firm also has to satisfy other stakeholders (Carroll 1991). Therefore, the question to answer is whether business should pay attention to who has power and urgency (Carroll 1991; Moir 2001) or whether it has to balance stakeholders’ interests in directing the activities of firm.

2.2.2 Social contract theory

Donaldson (cited in Dunfee, Smith et al. 1999) argues that the cooperation and commitment of society is the only way to make business organizations exist. Therefore, social contract theory is used to set up an organizational ethical background to business (Dunfee, Smith et al. 1999). From the viewpoint of CSR, shared understandings, laws and regulations express the social contract between the firm and society (Brookhart, Beeler et al. 2006). Each change in these factors creates for the firm more requirements known as societal expectations. These are what society expect explicitly or implicitly of business operation and behaviour (Moir 2001).
The social contracts between firms and society are based on a consideration that firms are productive, and contribute to social development and welfare by satisfying their customers and employees. Based on the social contracts established, corporations are not only provided with legitimacy on the basis of the consent of those affected by business, but also moral foundations for their operation (Dunfee, Smith et al. 1999). In her study, Woermann (2011) justifies that, with these moral foundations, corporations are considered as productive organizations. In addition, the relationships between firms and their stakeholders; such as customers, employees, or the broader society, may also be considered as social contracts (Sacconi 2006; Woermann 2011). Hence, it can be seen that, while responding to requirements of stakeholders, firms also achieve the right – licence to operate (Moir 2001) – to exist by fulfilling their social contracts, and to gain and to maintain legitimacy (Suchman 1995).

Woermann (2011) also states that social contracts can be used as a tool to measure corporate performance and to ensure that firms meet their responsibilities towards society. Firms thus can achieve their objective of operating efficiency (Sacconi 2006), which is a part of CSR (Carroll 1991). Furthermore, social contract theory also provides an explanation of how conflicting claims/stakes of different stakeholders need to be considered and balanced (Kultgen 1986; Sacconi 2006). Such considerations and balance are ruled by regulations and laws, such as compensation and benefits of employees. This is supportive of understanding CSR in terms of its legal dimensions (Carroll 1991).

Overall, theorists in social contract theory have tried to identify the ground rules for the firm’s activities by social contracts. However, some are still arguing for the existence of actual contracts (Dunfee, Smith et al. 1999). This contentiousness leads to different or discordant research methods – those informed by empirical ideas or normative concepts. Therefore, integrative social contracts theory (ISCT), which incorporates empirical findings as part of a contractual process of making normative judgments, was advanced by Donaldson and Dunfee (1994). This ISCT provides managers with a way to make decision in an ethical context (Moir 2001).

In ISCT, two different kinds of contracts are integrated. They are a normative and hypothetical contract, and an existing implicit contract. To understand the existing contentiousness, it is required to understand two concepts, namely bounded moral rationality – which is bounded in three ways: a finite human capability to assess facts,
a limited capability of ethical theory to capture moral truth, and the plastic and artificial nature of economics systems and practices, and social contracts referred to as macro-social contracts (Donaldson and Dunfee 1994). From this point of view, business is expected implicitly to operate in a responsible manner. Furthermore, from the view of ISCT, business is expected to support its local community in macro-social contracts, or to be involved in its local community in micro-social contracts (Moir 2001).

### 2.2.3 Legitimacy theory

The leading reason to explain why corporations practice and meet social standards is that they want to gain acceptance in society, especially among their stakeholders (Basu and Palazzo 2008). Therefore, legitimacy theory can be employed to explain why firms exert effort to limit as much as possible perceived legitimacy gap to avoid sanctions or threats to their survival. In the light of legitimacy theory and the CSR domain, it can be seen that firms attempt to show their achievements to demonstrate conformity with social norms and expectations (Basu and Palazzo 2008), the harmony between their behaviours and shared thinking of societal members/groups (Guthrie and Parker 1989; Suchman 1995; Basu and Palazzo 2008), and their efforts in co-creating acceptable norms of behaviour with relevant stakeholders to achieve legitimacy (Basu and Palazzo 2008).

Legitimacy theory describes the relationship between social expectations and business behaviours that managers have to balance. Based on Suchman’s (1995) research, there are three types of organizational legitimacy: pragmatic, moral and cognitive. Suchman (1995, p.574) defined legitimacy as following:

> Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.

The way to manage legitimacy includes gaining, maintaining and repairing. The reason that business must satisfy legitimacy expectations of society is to retain its social power and social role in order to develop the business in the long-run (Brookhart, Beeler et al. 2006). It can be seen that CSR itself is considered as an act of legitimacy. Moreover, CSR activities are also considered as a tool to reinforce legitimacy for firms (Farache and Perks 2010; Godos-Díez, Fernández-Gago et al. 2010).
In this regard, the content and scale of CSR practices are influenced by the links between societal expectations, managers’ attitudes to what they think are legitimate societal expectations, and business behaviours (Stratling 2007). Therefore, according to legitimacy theory, to have access to the market for resources and products, firm has to meet social expectations about its behaviour (Guthrie and Parker 1989; Stratling 2007). Moreover, managers’ attitudes and behaviour must meet social expectations. If the firm does not behave or act in a manner which society considers responsible, it may lose legitimacy and power.

Many empirical studies are conducted to investigate the relationship between CSR and legitimacy (Guthrie and Parker 1989; Sánchez 2000; Stratling 2007; Kuznetsov, Kuznetsova et al. 2009; Farache and Perks 2010; Claasen and Roloff 2012; Sneyd 2012; Khan, Muttakin et al. 2013). In a particular case, scholars found that legitimacy theory cannot be employed to explain CSR (Guthrie and Parker 1989). However, most of findings from these empirical studies help to explain the contribution of CSR to corporate legitimacy. In turn, legitimacy serves as driving tool for business, which is based on stakeholders’ willing supports for companies achieving legitimacy (Du and Vieira 2012). Examples of stakeholders’ support include increased consumer patronage, significant advantage in attracting, motivating and retaining talented employees, and attracting investors. In order to properly achieve and guarantee legitimacy, it requires that corporations practice CSR in all operational areas. This means, CSR engagement in one particular area, such as voluntary activities or focusing only on the workforce, cannot cover the absence or weakness of legitimacy in the other one (Claasen and Roloff 2012).

To sum up, there is a consequent relationship between corporate legitimacy and CSR. Through practicing CSR, business organizations try to attain legitimisation to secure their long-term and successful existence. Then, in consequence, legitimacy helps firms to maintain and reinforce stakeholders’ supports to their operations. This leads management boards to develop and implement different CSR strategies in business activities to achieve legitimacy because all business organizations are pursuing continuity; pursuing credibility; seeking passive and active support (Suchman 1995).
2.3 What is Corporate Social Responsibility?

The previous section discussed theories that may help to explain why and how CSR should be undertaken in business. The following discussion reviews the definition and conceptualization of CSR.

2.3.1 An overview about the development in defining CSR

The concept of CSR has attracted the attention of researchers for a long time. Since the 1950s, the literature on CSR has been rapidly enriched by many studies in theory and practice (Carroll 1999). This section provides an overview of the expanding scope of CSR as well as the themes involved in these definitions (see Appendix 1). This study uses Carroll’s (1999) taxonomy of CSR in which he categorizes these emerging themes in seven periods: pre-1950, 1950s, 1960s, 1970s, 1980s, 1990s and 2000s (see Appendix 2).

Pre-1950

Before the 1950s, no formal definitions were reached. The key themes mentioned in this period were post-game philanthropy, pre-game legal constraint and in-game moral conduct (Windsor 2001). The main points mentioned were philanthropy and profit-seeking. However, the concept of philanthropy was subordinate to business competition, without legal control or moral forces. The researchers and the studies in this period focused on the importance of profit maximization as the only duty of a business. Other studies of CSR also stated the crucial role of government in a mixed economy which consisted of more and less regulated industries.

1950-1960

The foremost study in this period is that of Bowen (Carroll 1999). In his seminal book Social Responsibilities of the Businessman in 1953, Bowen provided the first examination of social responsibilities for businessmen.

*It refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society. (Bowen, 1953, p.6 in Carroll 1999)*

According to Bowen (cited in Carroll 1999, p.270), social responsibility refers to something somewhat wider than profit-making and ‘…values of our society’. Bowen
based his views on the results of a survey conducted in 1946 in which over 93.5% of the participants agreed that businessmen are responsible for something more than a profit statement. With the first documented examination of CSR, Bowen earned the title of the *Father of CSR* (Carroll 1999; Windsor 2001).

**1960-1970**

The expansion of the scope of CSR in this decade was impressive. Many researchers contributed to the field of CSR; such as Davis in 1960 and 1967, Frederick in 1960, McGuire in 1963, Davis and Blomstrom in 1966, and Walton in 1967 (Carroll 1999). Each scholar had his/her own perspective about CSR. The key themes in those definitions were *profitability in the long-run, legalism, and voluntariness* or something beyond these which they called *expectations of the public*.

**1970-1980**

The growth in the scope of CSR was rapid in this period with many researchers’ contributing to research and debate on CSR. Although there were few CSR definitions expressed and the expressed ones are not clear, (such as that of Heald in 1970 (Carroll 1999)), the themes in previous decades (profitability, voluntariness, legalisms, social problems) were reconfirmed. The issues relating to *stakeholders* were mentioned as a crucial point in the study of Johnson in 1971 (Carroll 1999). In addition, Fitch in 1976 broadened CSR to solving or addressing social problems that corporations wholly or partly caused (Carroll 1999).

Importantly, Carroll (1979) offers a comprehensive definition of CSR which included four categories of responsibilities, namely *economic, legal, ethical and discretionary responsibilities*. Carroll also emphasizes that the nature of business is profit-making.

**1980-1990**

There were more studies on CSR than in the previous decades; however fewer definitions were formulated (Carroll 1999). Most of the studies did not produce any CSR definitions but discussed issues relating to social responsibilities. In this period, new concepts were proposed, such as corporate social responsiveness, corporate social performance, public policy, and business ethics. These concepts extended CSR beyond what business has to do to satisfy its shareholders to different social groups called *stakeholders*. Also in this decade, the term *environment* was first mentioned in
CSR studies. Generally, the principal focus of CSR issues was voluntariness, legalism, and stakeholders.

1990-2000

The last decade of the 20th century did not see any marked changes in the definition of CSR (Carroll 1999). No new definitions were added to the literature. In this period, CSR was understood as corporate social performance and was aligned with corporate social responsiveness. The key themes studied were corporate social performance, stakeholder theory, business ethics theory, and corporate citizenship.

2000 - Present

There are several CSR definitions documented after 2000. Most of these are similar to those in previous decades. However, there is growing concern for environmental responsibility. For example, definitions which were extended to this issue were initially claimed by Foran and the Commission of the European Communities (2001 cited in Dahlsrud 2008). Overall, CSR seems principally concerned with voluntariness, stakeholders, social, environment, and profit-making. These concerns depended on the authors’ perception of CSR. Research was becoming more focused on specific CSR issues.

In summary, the first documented definition of CSR was developed in 1953 by Bowen who has been referred to as the Father of CSR (Carroll 1999; Windsor 2001). Subsequently, many researchers contributed to deepening and extending the meaning of CSR. The growth of the scope of CSR was quite rapid in the 1970s, and since then researchers have proposed new dimensions of CSR, such as environment.

2.3.2 Carroll’s definition on CSR

In his early work, Carroll (1979) summarised three views in previous definitions on social responsibilities of business, including: issues under purview of firms, social issues for which firms have responsibilities, and social responsiveness of firms. He also argued that these three views needed to be articulated and interrelated in order to provide: (a) a basic definition of CSR; (b) social issues for which a social responsibility exists; and, (c) a specification of the philosophy of response. Based on this argument, Carroll (1979) integrated the existing aspects into a definition which
attempts to explain and define what CSR is. His definition consists of four responsibility categories, including: economic, legal, ethical and discretionary:

*The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time.* (Carroll 1979, p.500)

The issues addressed in CSR (see Appendix 1) are distinctive and increasingly developed. Based on the overview about the development in defining CSR, it can be concluded that Carroll’s definition is the most widely-accepted and well-grounded (Clarkson 1995; Acar, Aupperle et al. 2001; McWilliams and Siegel 2001; Jamali 2008; Arli and Lasmono 2009; Galbreath 2009; Ramasamy and Yeung 2009; Nalband and Kelabi 2014) and used in many empirical studies (Acar, Aupperle et al. 2001; Hong 2007; Arli and Lasmono 2009; Gao 2009; Ramasamy and Yeung 2009; Smirnova 2012).

The approach to CSR definitions categorized by Banerjee (2007) includes some key themes. First, in-the-short-run, obligations are identified to reflect what a firm should formulate in its policies and actions. Second, CSR often exceeds mandatory legal requirements, such as *providing free day care for its employees.* Third, voluntary activities are mentioned as CSR. And, lastly, the term *stakeholder* encompasses the concerns of *society and social interests.* Banerjee (2007) asserts that Carroll’s definition reflects the nature and type of responsibilities of business.

Various perspectives of CSR also affirm the comprehensiveness of Carroll’s definition (1979). First, CSR can be explained with two functions: socio-economic and socio-human obligations (Davis 1960). According to Davis, business has its responsibility not only toward economic developments affecting public welfare; but also to nurturing and developing human values. Second, CSR can be described from the perspective of both legitimacy theory and stakeholder theory, which directly impact business decisions (Stratling 2007). Finally, the way to define CSR is based on a viewpoint of social issue management and stakeholder management (Gao 2009). Carroll’s definition belongs to the first view, but it also can cover the others. From the view of legitimacy theory and stakeholder theory, Carroll’s definition addresses the legal category which satisfies a company’s various stakeholders. It also helps to answer all aspects of social issues management and stakeholder management.
The review of the literature shows that Carroll’s (1979) CSR definition is more comprehensive than the others. The reason is that, it can integrate all existing aspects and cover other concepts of CSR (Ramasamy and Yeung 2009). Moreover, it is also compatible with a wide range of CSR perspectives and research.

2.4 Carroll’s CSR conceptualization

Carroll (1979) integrated all relevant aspects of CSR and articulated a definition to cover all the responsibilities that business have to respond to in order to satisfy stakeholders’ expectations. This definition included the economic, legal, ethical and discretionary responsibilities. Based on this four-part definition of CSR, Carroll (1991, p.42) developed a pyramid portraying four components of CSR (see Figure 2.1). In this pyramid, economic responsibilities play a role as a background for all others. Obeying the laws is also a responsibility that business must fulfil at the same time they are attending to the former responsibilities. The two following blocks in the pyramid are ethical and philanthropic responsibilities. It should be noted that, in the CSR pyramid depicted in 1991 (p. 42), Carroll explain that “philanthropy is more discretionary or voluntary on the part of businesses”.

Figure 2.1: The Pyramid of Corporate Social Responsibility (Carroll 1991, p.42)
2.4.1 Economic responsibilities

Friedman (1970) asserts that business has only one responsibility - to increase its profits, and this position is also supported by many scholars, such as Davis (1960), Jensen (2002), Schwartz and Carroll (2003), Henderson (2005), Windsor (2006). In this light, the primary role of business is to maximise economic value. To support for this position, there is an argument that if business firms focus on many objectives at the same time, no objective can be satisfactorily achieved (Jensen 2002). This discussion revolves around the proposition that the single objective of maximising firm value should be encouraged and doing so somehow leads to making society better off (Friedman 1970; Jensen 2002; Windsor 2006).

According to Carroll (1979; 1991), in order to exist in a competitive market, business is required to be profitable as it is a basic economic unit in society. To be profitable, business organizations need to provide goods and services that customers want and need (Carroll 1991; Henderson 2005). Fulfilling these components of economic responsibilities includes creating (and maintaining) jobs and fair pay for workers, discovering new resources, promoting technological advancement, innovation and the creation of new products/services (Lantos 2001; Jamali and Mirshak 2007).

According to this framework, in order to fulfil these duties, firms must integrate CSR into their strategy and closely align CSR to its mission and vision (Wan-Jan 2006; Gyves and O'Higgins 2008; Galbreath 2009; Triathy and Rath 2011).

In summarising, it can be concluded that economic responsibilities are a mandatory obligation that a business has to satisfy its owners in maximizing earning per share, maintaining a strong competitive position and a high level of operating efficiency.

2.4.2 Legal responsibilities

In their study, although Dalton and Cosier (1982) did not give any specific definition for the concept of CSR, they claim that legal responsibilities belong in business’s accountability. These types of responsibility demand that business is expected to conduct its operations under the laws and regulations. The reason for the existence of legal responsibilities is that business organizations are not always trusted in what they have been doing (Lantos 2001; Bansal 2002); therefore, it is necessary to impose a consensus on standards for corporate behaviours (De Schutter 2008; Waagstein 2011). Some scholars argue that regulations and laws are really necessary for business with
regard to what they have to fulfil; for example, companies are required to pay tax, or not to pollute at higher level, or sell goods with fewer safety warnings (Schwartz and Carroll 2003; Carroll and Shabana 2010). In particular, this compliance is very significant where laws of marketplace cannot guarantee a fair competition between business firms (Carroll 1998).

In other words, economic missions should be fulfilled within the framework of the law (Carroll 1979; 1991). These legal responsibilities are as fundamental as the economic responsibilities (Carroll 1991) and are determined by the public or government (which is the representative of the public) (Dalton and Cosier 1982). However, there are two crucial points that should be noted. The first point is that legal responsibilities are implemented and followed involuntarily (Lantos 2001; Schwartz and Carroll 2003). The second point to note is that legality can only provide a base for business conduct, as it cannot cover all actions and behaviours which may happen in business (Carroll 1998; Lantos 2001).

The first two categories in the bottom of the CSR pyramid are compulsory obligations; the upper two are more voluntary responsibilities. In his studies, Carroll (1979; 1991) also affirms that economic and legal responsibilities represent ethical standards in terms of treating stakeholders equally and maintaining laws. However, ethical and philanthropic responsibilities include activities and practices beyond obeying laws, not codified in laws, but which may be expected and desired by society and its members. This last is reflected in findings from many studies, such as Holmes (1976), Dalton and Cosier (1982), Orpen (1987), Carroll (1998), Quazi and O’Brien (2000), McWilliams and Siegel (2001), Gao (2009), Smirnova (2012). The following section will explain in more detail about ethical and philanthropic responsibilities.

2.4.3 Ethical responsibilities

Ethical responsibilities are related to public expectations and is explained in many studies, such as the study of Frederick in 1960 and that of Backman in 1975 (Carroll 1999). There are several reasons used to explain the necessary existence of ethical responsibilities, such as laws and regulations being just minimum requirements, laws not always being an ‘up-to-date’ reflection of latest norms to protect stakeholders, and not all social issues can be solved by laws or ‘laws may lag behind ethical thinking’ (Carroll 1998; Dahlsrud 2006).
There is still debate by the public on many issues as to whether they are ethical or legal (Carroll 1979), and new issues continue to emerge. Hence, ethical responsibilities are in part derived from ‘newly emerging values and norms’ (Carroll 1991, p.41) that are not necessarily documented in laws or requirements (Carroll 1991; 1998). Neither of research and practical studies can offer a clear explanation of ethical responsibilities. In these studies, the term to express ethical responsibility which is frequently used is ‘beyond economic and legal’ actions (Windsor 2006; Carroll and Shabana 2010; Groves, Frater et al. 2011; Jean-Claude, Olivier et al. 2011). In particular, for firms in controversial sectors which produce products (such as alcohol, cigarettes, gambling) which may be harmful to individuals and society, ethical responsibilities are just mentioned as minimising harm in an ethical manner (Lindorff, Jonson et al. 2012).

Because they are not codified in law or clearly explained, such obligations are not compulsory. However, they are stakeholders’ concerns or expectations although not clearly-defined. Therefore, they lead to businesses dealing with such expectations with difficulty.

2.4.4 Philanthropic responsibilities

The common thinking as to what CSR means is the willingness with which business offers assistance to the society, especially to the poor, the victims of disasters, or other disadvantaged groups. This idea was affirmed in previous studies, for example Walton in 1967, Manne and Wallich in 1972, Eilbert and Parket in 1973 (which are cited in Carroll (1999)), McWilliam and Siegel (2001), Wood (1991), and Muthuri and Gillbert (2011).

Nonetheless, CSR is not restricted to philanthropy. These philanthropic duties are only one of business’s responsibilities. Philanthropy is related to ‘giving back’ and community involvement (Carroll 1998). This action is not limited to spending financial resources for the community, such as conducting in-house training for drug abusers, or housing for the poor (Carroll 1991). Extensively, philanthropic responsibilities of corporations are expanded into a variety of activities, such as collaboration with customers to collect donations, or providing/selling products/services not only to general, but also to specific customers such as non-mobile/disabled ones (Carroll 1998; Carroll and Shabana 2010). These activities are
not mandatory; not framed into law, nor considered as ethical activities, but they are what business does to be a good citizen (Carroll 1979; 1991). However, Carroll (1991) also suggests that philanthropic responsibilities are not as important as the other three categories, but nevertheless are highly desired and prized.

The other argument relating to philanthropy is that philanthropic activities are considered as a strategy for economic benefits, such as increasing corporate reputation and market opportunities, or gaining brand recognition and loyalty (Sánchez 2000; Lantos 2001; Lewis 2003; Windsor 2006). This is stated as one reason leading firms to build CSR into business strategy (Porter and Kramer 2006; Galbreath 2009; Carroll and Shabana 2010).

In summary, Carroll’s (1979) CSR definition offers a clear understanding of a responsible business that should try to make profit, operate within the domain of the law, behave ethically and be a good corporate citizen. Then, these four components of CSR were depicted in a pyramid, which explains clearly each kind of responsibility (Carroll 1991). Because Carroll’s (1991) CSR conceptualization is well-grounded, ‘widely-used and cited among CSR scholars’, ‘broad enough to consider other concepts of CSR’ and employed in many empirical studies (Clarkson 1995; Acar, Aupperle et al. 2001; McWilliams and Siegel 2001; Matten and Crane 2005; Jamali 2008; Arli and Lasmono 2009; Galbreath 2009; Ramasamy and Yeung 2009; Wood 2010; Nalband and Kelabi 2014), the present research employs his CSR pyramid to formulate the interview questions and to develop the framework for data analysis.

2.5 The role of leaders in CSR dissemination

2.5.1 Defining leadership

Defining leadership is a controversial issue in scholarly research as there are many different perspectives on leadership. For example, Lussier and Achua (2010, p.6) define leadership as ‘the influencing process of leaders and followers to achieve organizational objectives through change’. Northouse (2010, p.3) defines it as ‘a process whereby an individual influences a group of individuals to achieve a common goal’. The key distinguishing points in these definitions are ‘how leaders got other followers to act and how leaders came up with the something that was to be done’ (Ciulla 1999, p.167). However, a definition of leadership should cover both of these
aspects; namely effectiveness and ethics (Ciulla 1999). A leader has to conduct his/her job in an effective and ethical manner.

The leadership managerial roles

The important role of managers in adopting and diffusing CSR in business operations is discussed in Chapter 1. In order to practice their roles in CSR, managers need to perform through their managerial roles. In the literature in management, Mintzberg (1973) identifies ten managerial roles that a leader can fulfil in conducting his/her job. These leadership roles are: figurehead, leader, liaison, monitor, disseminator, spokesperson, entrepreneur, disturbance-handler, resource-allocator and negotiator. These ten roles are grouped into three categories, namely: interpersonal, informational and decisional roles. According to Mintzberg’s explanation of each role, managers practice the leader role by training activities and the disseminator role by transmitting, interpreting and integrating information. Therefore, all managerial roles are important, but leader and disseminator roles influence the way the leader diffuses CSR activities in his organization.

2.5.2 The role of leaders in disseminating CSR initiatives

In many previous studies (Scholtens 2008; Lin, Yang et al. 2009; Cheung, Tan et al. 2010) the importance of undertaking CSR in business has been highlighted because of its positive influence. Leaders may adopt CSR in business in order to search for increased sales and market share, strengthen brand positioning, enhance corporate image and clout, increase ability to attract, motivate and retain employees, decrease operating costs, and increase appeal to investors and financial analysts (Kotler and Lee 2005). Leaders are responsible for analysing and implementing CSR decisions (Paine 1996). CSR should be practiced in business as a strategic choice made by the leaders that will return a premium for allocated resources, such as time, and financial or human capital (Waldman and Siegel 2008).

While executing their duties, leaders, especially CEOs, aim to shape the firm by their own values and characteristics (Berson, Oreg et al. 2008) which also significantly impacts the manner of decision making and CSR undertaking (Agle, Mitchell et al. 1999). These leaders will shape the values of the organization by building its characteristics with ethical lessons and moral triumphs (Ciulla 1999). Especially, there is a link between the personal values of managers and organizational values.
In her study, Duarte affirms the important role of personal values in a firm’s environment. This has led to the link between managers’ values and the enactment of ethical frameworks. Consequently, the personal values of managers are critical to CSR performance and success. Duarte (2010) also confirms the importance of the *tone from the top* in the development of CSR in organizations.

The role of the leaders is crucially significant in adopting and practicing CSR in their organizations (Waldman and Siegel 2008). Moreover, a leader’s influence is given not only to employees but also to the other stakeholders, such as consumers, government and community (Berson, Oreg et al. 2008; Waldman and Siegel 2008). Therefore, leaders’ perceptions of CSR have a significant influence on CSR dissemination in their corporations.

### 2.6 CSR in developing countries

Developing countries are nations having lower per capita incomes and less industrialisation as compared to developed countries (Visser 2008). In such a context, these countries are facing distinctive requirements in CSR activities, not only from business’s perspective but also from that of the community. However, the research on CSR in developing countries has been limited in both quantity of studies and in countries studied (see Appendix 3). Little is known of the practice of CSR in developing countries (Belal 2001; Amaeshi, Adi et al. 2006; Jamali and Mirshak 2007; Visser 2008; Dobers and Halme 2009).

In terms of the four categories of responsibilities of Carroll (1979), China is the most-studied country. The studies in China were conducted from different perspectives, such as managers’ perspective, consumers’ perspective, Chinese firms, and foreign firms operating in China. In much of this research, economic responsibility is regarded as the first priority that firms should fulfil (Gao 2009; Zu and Song 2009). This is because the central aim of *economic construction* is mandated by the Chinese government (Gao 2009). As far as this researcher can determine, none of the firms operating in China, either local or foreign ones, have issued substantial CSR reports, though they do report CSR activities in annual reports or in websites (Gao 2009; Kolk, Hong et al. 2010). The studies in China also suggest that managers with higher CSR values positively influence the firms’ performance (Zu and Song 2009) and consumers support responsible businesses while shopping (Ramasamy and Yeung
In other studies, firms in other developing countries simply perceive CSR as philanthropic activities (Ahmad 2006; Amaeshi, Adi et al. 2006; Jamali and Mirshak 2007; Ong 2008; Lu and Castka 2009). The remaining responsibilities are of less concern, or even not mentioned as CSR activities (Jamali and Mirshak 2007).

The order of categories of responsibilities is also a crucial point. Researchers found that neither firms nor consumers in developing countries, such as Indonesia and Nigeria, perceived four responsibilities as the order depicted in Carroll’s (1991) CSR pyramid (Amaeshi, Adi et al. 2006; Arli and Lasmono 2009).

Relating to the unit of analysis, most of the studies are conducted and analysed at the organizational level. Researchers tried to analyse CSR activities and CSR performance as well as the comprehensiveness and details of firms’ reports about what companies have done relating to CSR (Belal 2001; Balasubramanian, Kimber et al. 2005; Ahmad 2006; Amaeshi, Adi et al. 2006; Jamali and Mirshak 2007; Jamali 2008; Gao 2009; Lin, Yang et al. 2009; Rettab, Brik et al. 2009; Kolk, Hong et al. 2010; Wiig and Kolstad 2010). Most of the researchers reviewed here who were conducting research and analysing CSR at the organizational level employed qualitative approaches, rather than quantitative ones. Two key data resources of these studies are CSR disclosures, such as CSR reports, CSR sections on companies’ websites, annual reports, financial reports; another key data resources for much of cited research were managers, such as interviewing them or having them fill questionnaires. Some points from organizational-level studies should be noted. First, CSR is concerned with philanthropic activities to serve community (Ahmad 2006; Amaeshi, Adi et al. 2006; Jamali and Mirshak 2007; Ong 2008). Second, issues about stakeholders and relations with stakeholders are also discussed (Belal 2001; Ahmad 2006; Jamali 2008; Gao 2009). Based on stakeholders’ influence on firms, employees, customers and shareholders are identified as the most important ones. Third, CSR is discussed in the lens of its potentially being an influential factor in business performance, even though the effects on business operations are not always clear (Belal 2001; Balasubramanian, Kimber et al. 2005; Ahmad 2006; Jamali and Mirshak 2007; Gao 2009; Lin, Yang et al. 2009; Rettab, Brik et al. 2009).

From consumers’ perspectives, studies explore whether consumers are able to distinguish four categories of responsibilities and whether they support responsible businesses (Arli and Lasmono 2009; Ramasamy and Yeung 2009). Quantitative
approaches are employed to explore customers’ understanding of CSR and a main finding is that consumers will support CSR firms if there is no difference between quality and price between firms that practice CSR firms and those that do not practice CSR.

There are some studies conducted to investigate managers and managers’ perceptions of CSR (Rashid and Ibrahim 2002; Balasubramanian, Kimber et al. 2005; Hong 2007; Ong 2008; Zu and Song 2009). These studies are limited to what managers’ attitudes towards CSR are and what the key factors influencing their attitudes were, as well as what the CSR activities that their firms practiced. Quantitative approaches are also employed in investigating managers’ perceptions of CSR. The findings do have some discrepancies between them. In some studies, managers’ attitudes towards CSR are positive and all four types of responsibilities are perceived with different ordering as compared with that of Carroll’s CSR pyramid (Rashid and Ibrahim 2002; Hong 2007). Personal values of managers are considered as a cardinal factor influencing CSR practice and firm performance (Zu and Song 2009; Duarte 2010). Organizational culture and characteristics and managers’ CSR perceptions are found to be significantly related (Hong 2007). Obstacles to apply CSR and factors impacting managers’ CSR perceptions are also evaluated (Rashid and Ibrahim 2002; Balasubramanian, Kimber et al. 2005).

Among those studies, Balasubramanian, Kimber et al. (2005) reviewed six surveys conducted to investigate CSR perceptions of managers in India. Their paper argues that there is a changing perspective on CSR in India, from CSR simply perceived as the activities for making profits, paying taxes, providing jobs and obeying laws, to the areas of CSR concerns like pollution, roads, power, health, water, security, education, and communication. Moreover, the authors point out some obstacles and problems facing CSR implementation, such as competitive business practices, poor ethical decision-making, corruption and mismanaged government practices, the lack of executive commitment and unprofessional management, and inadequate subsequent evaluation of CSR initiatives. Among these obstacles and problems, the most important concern is that the integration of CSR into daily business practices has not been done.

Significantly, Balasubramanian, Kimber et al. (2005) also point out some important limitations of the reviewed surveys. First, the surveys were based on questionnaires
and secondary-information. Hence, in their paper, Balasubramanian, Kimber et al. (2005) also suggests other qualitative methods, such as interview and observation, should be used. Secondly, the different characteristics of respondents, such as their backgrounds and the nature of opinions given, are also significant factors which are influenced by research methodology. Thirdly, these surveys were conducted in different ways and employed different interpretations of CSR. More importantly, CSR terminologies employed were not well-understood by survey respondents. Therefore, it is important to adopt a widely-accepted definition of CSR to conduct research on CSR.

In terms of factors influencing managers’ perceptions of CSR, there is only one study that examined determinants on attitudes towards CSR. This study was conducted in Malaysia by Rashid and Ibrahim (2002). Those determinants were based on a previous study conducted by Gill and Leinbach (1983) in Hong Kong. However, in their study, Gill and Leinbach do not explain how those determinants were proposed. Hence, exploring factors which influence managers’ perceptions of CSR, is also necessary to enrich CSR literature.

In general, from the literature, there are some key points on managerial perceptions of CSR in developing countries. First, the motives for adopting CSR in practice are economic (or no harm to economic performance), corporate social rectitude, and corporate reputation (Rashid and Ibrahim 2002; Balasubramanian, Kimber et al. 2005; Zu and Song 2009). Secondly, the CSR orientation of managers has a positive influence on organizational performance (Rashid and Ibrahim 2002; Zu and Song 2009). Thirdly, the key concerns relating to CSR have now been changed from urban issues to rural ones, which influence the wider community concerns (such as water and education) (Balasubramanian, Kimber et al. 2005). The other characteristic is that CSR in developing countries is affected by globalization and the involvement of multinational companies (Balasubramanian, Kimber et al. 2005). Lastly, there is no study explaining factors which influence managers’ perceptions of CSR.

Overall, the research on CSR in developing countries is limited in the number of studies, the studied areas, and the studied countries. Particularly, there are few studies that have investigated the perceptions of managers of CSR. Most of the studies investigated the managers’ attitudes towards CSR and the influence of their values on the CSR performance using quantitative methods. The review of CSR literature in
developing countries demonstrates the need for further research that explores managerial thinking and understanding in order to identify manager’s actual perceptions of CSR.

**Research on CSR in Vietnam**

There is, to date, very little scholarly and policy literature on CSR in Vietnam. A pioneering study on CSR in Vietnam was undertaken in 2004. This report was performed by the Ministry of Labour-Invalids and Social Affairs, after the program of technical assistance *CSR in Vietnam* and was supported financially and technically by the World Bank (Institute of Labour Science and Social Affairs 2004). Following this report, a series of studies were conducted by the Centre Franco – Viêtnamien de Formation A la Gestion (2008).

These studies limited their research to workforce issues, labour relations, and environmental concerns (Chinh 2008; Huong 2008a; Huong 2008b; Nhu 2008). From these studies, it can be said that CSR in Vietnam has been understood as, and has focused on, workforce issues, labour relations, and environmental concerns. Additionally, the understanding of CSR provided by the *Vietnam Forum on CSR* is noted in terms of the relationship between corporate and multiple stakeholders, the focus on labour and environment issues, and the role of corporations in economic and social benefits of stakeholders (‘CSR Vietnam Introduction n.d’). One characteristic of most of these studies is that, unlike that of the present research, there was a survey targeting management students in order to assess their perception about the CSR concept and CSR activities (Thang 2008). The study findings assert that CSR ‘is a nearly unknown concept in Vietnam’ (Thang 2008, p.118) and CSR is not taught or introduced to business students. According to the survey results, corporate donations are considered to be the main activity of CSR.

Based on the literature on CSR in Vietnam, it can be concluded that CSR is an emerging business concept that has not been clearly understood and implemented, that research involving the participation of local managers is limited, and many of the reported perceptions about CSR, even though they might reflect those of managers, are largely drawn from data from a sample of students.

According to the researcher’s review of CSR literature in developing countries, most of CSR studies were undertaken at the organizational level to get an overview about
CSR aspects as well as CSR performance; but in some developing countries only. The present literature review identified that the CSR literature in developing countries is meagre and leads to the question of how CSR is practiced in other developing countries. The studies exploring managers’ perceptions were limited to managers’ attitudes, but not why they perceive CSR in such a way, and results were drawn from a sample of students rather than of practicing managers. This review also shows that there has not been any study exploring managers’ perceptions of CSR. Another issue from the CSR literature in developing countries is that research findings are mostly derived from information of CSR sections in annual reports, CSR disclosures, or companies’ websites, which do not properly reflect the nature of CSR in those countries. Therefore, empirical studies are necessary to investigate CSR in practice.

To conclude, this literature review points to the need to conduct further empirical research to enrich CSR literature in developing countries. In particular, CSR perceptions of managers, who have a crucial impact on CSR implementation in business organizations, are not well known or understood. Vietnam is not an exceptional case in such a situation. Therefore, an empirical qualitative study is necessary to investigate how Vietnamese managers perceive CSR.

2.7 CSR in the Construction industry

This section provides an overview of the core issues relating to CSR in the construction industry which are identified in the literature. Identifying issues relating to CSR in previous studies helps to inform this study of CSR in the construction industry. This has also been of assistance form interview questions which explore CSR issues in a developing country like Vietnam.

The construction industry has a significant influence not only on the society and the environment, but also on national and global economies via architecture and engineering projects (Murray and Dainty 2009). In addition, Murray and Dainty (2009) also stated that it is the largest industrial employer and also accounts for ten percent of the world gross domestic product. Even though the construction industry is important, there is little research literature about the significance of CSR for the construction sector, particularly in developing countries.

There have not been many CSR studies undertaken in the construction industry. However, it can be grouped into two categories: studies in developed countries and
those in developing countries. The studies in developed countries concentrate on
many aspects of CSR activities and tend to explore both the key commitments to CSR
activities of the industry, the barriers to firms seeking to adopt CSR (Adams, Payne et
al. 2009) and the positive and negative aspects of CSR activities (Lingard, Blismas et
al. 2009; Santos and Amadigi 2009). In developing countries, researchers direct their
attentions to CSR approaches that firms adopt in their business (Bowen, Edwards et
al. 2009; Rowlinson 2009). In addition, authors also examine the forces driving CSR
activities as well as the ability of firms to align CSR in their business.

2.7.1 Environmental and sustainable development issues

Environmental issues have become significant concerns of the community, and
construction firms are considered a source of many environmental problems, such as
noise, pollution and dust (Moodley and Preece 2009). Moreover, the environmental
concerns also include landscape rehabilitation, removal of waste, and
decontamination of sites. These concerns have appeared in studies in developed
countries and developing ones as well. For example, in the UK, research has
identified an alternative ecological building movement involving some construction
firms (Woolley, 2009). Another example is from Rowlinson (2009) in which the
author mentions the involvement of construction firms and communities in the so
called green sites in Malaysia and Hong Kong.

The environmental issues are closely related to the concept of sustainable
development because they are a key factor for firms to develop sustainably. In many
studies, the concept CSR is often used interchangeably with sustainable development,
sustainability because it is ‘an umbrella term overlapping with some, and being
synonymous with others conceptions’ (Matten and Moon 2008, p.405). The concept
of sustainable development changes depending upon stakeholders’ perception of the
environment (Sexton, Barrett et al. 2009). Perceptions will determine which factors
are important to frame the relationship between business and the environment.
Furthermore, faced with a changing business environment and globalization trend, the
essential challenge for businesses in general, especially for construction firms, is the
response to sustainable development. This challenge is significant to developing
countries, especially in rapid-growth countries which have a short-term orientation to
investment in construction (Zawdie and Murray 2009).
2.7.2 The issues of ethical behaviour

Ethical behaviour is defined as a set of shared views as to what is correct and how an organization should control the related issues (Lingard, Blismas et al. 2009). These issues involve many ethical problems or issues in the construction industry’s operations and practices. The emerging problems include collusion, bribery, negligence, fraud, dishonesty, and unfair labour practices (Bowen, Akintoye et al. 2007). Ethical behaviours should be practiced not only by at the organization-level, but also by construction professionals, such as consultants, architects, surveyors, and engineers. In a study conducted in South Africa, Bowen, Akintoye et al. (2007) list and analyse the extent of ethical aspects practiced by construction professionals, including unfair conduct, conflict of interests, bribery, collusion, and professional negligence. However, many construction professionals feel that they are “powerless” in improving or practicing ethics as “it is the way it is done in business” (Suen, Cheung et al. 2007). A case in point is that it is often reported that they feel more difficult to report corrupt practices in their own firms, rather than outside firms as they do not want “to rock the boat”.

In particular, it should be noted that issues relating corruption are receiving growing attention in a number of countries. It has become a concern, not only in developing countries but all over the world (Suen, Cheung et al. 2007; Lingard, Blismas et al. 2009; Tookey and Chalmers 2009).

In general, the studies confirm that, at the level of organization, ethical behaviours are pivotal in construction management (Suen, Cheung et al. 2007) as they are closely related to a legal perspective (Bowen, Akintoye et al. 2007). In the context of globalization, ethical behaviour becomes a requirement (Suen, Cheung et al. 2007). In addition, the literature also shows that ethical issues do clearly exist in the public sector; not just in the private sector (Liu, Fellows et al. 2004).

2.7.3 Employment practices and quality of life at work

As indicated above, the construction industry is the largest employer among industries (Murray and Dainty 2009). Hence, issues relating to the workforce are also an important concern in CSR research. Addressing these issues reflects multiple-aspects in doing CSR, such as legal considerations, ethical issues, sustainability in business
practice, and economic concerns relating to reducing incidents and costs of accidents. Company policy should address internal employment practices, such as gender inequality, disability, sexual orientation, and increasing working hours (Rowlinson 2009).

The other issue is safety at work because the danger level in construction is often very high (Smallwood and Lingard 2009). The construction industry has a poor record in terms of safety and working conditions and it leads to a poor image of the construction sector in the mind of the public (Lingard, Blismas et al. 2009; Santos and Amadigi 2009; Smallwood and Lingard 2009). Moreover, poor working conditions also lead to, or are associated with, the phenomenon of employing unskilled and illegal workers.

Importantly, the issue relating to child labour is a concern, not only in the construction industry but in various other industries such as agriculture and clothing manufacture. Even though there is only one research study that mentions this concern in the construction industry in America (Santos and Amadigi 2009), it can be assumed that employment of child labour probably occurs in many construction sites.

2.7.4 Philanthropic activities

Philanthropic activities require corporate-level involvement because this commonly helps many firms obtain support from the community (Moodley and Preece 2009). Construction firms in developed and developing countries are increasing their attention to, and willingness to engage in, philanthropy (Adams, Payne et al. 2009; Rowlinson 2009). At the same time, it appears that construction firms prefer to focus on philanthropic responsibility and community engagement, rather than on sustainable development (Adams, Payne et al. 2009).

Most of the studies on CSR in the construction industry are undertaken at the industry level. The growing body of literature points out the challenges that construction firms have to confront and balance while doing business. The identified issues directly influence the way firms perceive their social responsibilities and behave. However, it is important to recognize that most studies on CSR are conducted in developed economies while the literature in developing ones is meagre. The construction industry in developed countries is operating in an environment of growing public
perception of the importance of CSR, the increasing awareness and commitment of firms, and a generally strong regulatory environment (Lingard, Blismas et al. 2009).

2.8 Conclusion

The review of CSR literature indicates some salient points. First, in the context of CSR, foundational theories explain why CSR is needed in the firm’s operation. The main issue from stakeholder theory is whether stakeholders’ satisfaction is a motivation for business to adopt CSR (Moir 2001). Social contract theory states that corporations are expected to engage with its local community or run its business in a responsible way (Donaldson and Dunfee 1994; Moir 2001). From the view of legitimacy theory, firms need to meet social expectations in order to maintain their power and legitimacy (Stratling 2007). This study will employ those foundational theories to explain behaviours, attitudes and thinking of participants.

Secondly, even though researchers continue to debate the scope of CSR, Carroll’s (1979) CSR definition, which includes economic, legal, ethical and philanthropic responsibilities, is more comprehensive than others and it is widely accepted and used in empirical research. Based on the definition, Carroll (1991) made an important advance by depicting four categories of responsibilities in a pyramid. The CSR pyramid explains in detail, components of each category. Because of its comprehensiveness, this study will employ the CSR pyramid (Carroll 1991) to develop the conceptual framework, semi-structured interview questions, and the framework for data analysis.

Thirdly, studies on leaders and CSR values note the significant link between managers’ personal values and CSR performance. Those also affirmed the key role of managers in diffusing CSR. This point strongly supports to examine CSR perceptions of practical managers, which is the main purpose of this study.

The literature on CSR in developing countries is sparse when compared on CSR in Western developed economies. Consequently, the research on managers’ perceptions of CSR in developing countries is insufficient to explain their actual behaviours and activities relating to CSR. Moreover, the studies were conducted in some developing countries only, such as China, India, Malaysia, Nigeria and Indonesia. CSR literature in Vietnam also shows that there is little understanding about CSR, especially about
practical managers’ perceptions. Therefore, a study investigating managers’ perceptions of CSR is needed.

In particular, the review indicates that factors, which influence managers’ perceptions of CSR have not been explored and discussed in previous studies. Therefore, a study exploring those factors will bridge this gap in the literature. This study will be designed with an objective to explore and discuss factors influencing managers’ perceptions of CSR.

Finally, the body of literature on CSR in the construction industry shows that managers’ perceptions in developed countries are quite clear because CSR is expected by the public. Importantly, the review of CSR studies in the construction industry also affirms the limited literature on CSR in developing countries needs to be enriched.
CHAPTER 3 - RESEARCH METHODOLOGY
3.1 Introduction

The previous chapter identified Carroll’s CSR definition as the framework for this study. Studies on CSR in the construction industry and CSR in developing countries were carefully reviewed to identify gaps in the CSR literature and to demonstrate the significance of the study. Based on that critical review, this chapter focuses on the choice of methodological approach that was employed to conduct the research.

This study investigated the perceptions of CSR of managers in the construction industry in Vietnam. Based on the lack of research on the construction industry in Vietnam, and the nature of the research questions framing this research, it was decided that an exploratory qualitative approach was most appropriate for collecting data and addressing the research questions.

3.2 Research questions

As discussed in Chapter 1, the research questions which needed to be addressed in the study were:

1. What do Vietnamese managers perceive of as CSR?
2. Why do they perceive CSR in the ways they do?
3. What are the differences in managers’ perceptions and why do these differences exist?
4. How is CSR conducted in their companies, from their personal view?

3.3 Research methods

Any research method has its own strengths and weaknesses and the choice of methods to conduct a study depends on the research purposes. Previous studies of managers’ perceptions of, and attitudes to, CSR were conducted using quantitative approaches (Quazi and O'Brien 2000; Rashid and Ibrahim 2002; Hong 2007; Zu and Song 2009). However, this data does not reflect comprehensively the deep understanding of managers who have a significant influence on organizational life. Their influence is disseminated not only to employees but also to the other stakeholders, such as shareholders, consumers, government and community (Ciulla 1999; Berson, Oreg et al. 2008). Structured questionnaires or surveys offer little flexibility to dig into the real attitudes and behaviours (Denzin and Lincoln 2000, p.649) and there is a need to
let respondents have leeway to discuss the studied issues in their own words (Flick 2006, p.149).

Therefore, for the purpose of this research, a quantitative approach with a large sample was not appropriate for investigating the topic; rather, a qualitative method was selected. First, the objective of the research was to explore and deeply understand Vietnamese managers’ perceptions in the construction environment. Therefore, in order to capture the informants’ points of view, such a research project can be better investigated by getting closer to their perspective and talking directly with them to hear their voices (Denzin and Lincoln 2000, p.10; Creswell 2007, p.40). Secondly, informants for this research are managers in construction companies and one of research aims is to identify and analyse managers’ understanding of salient features of CSR in their companies. Such a research aim consequently requires having detailed information and experiences, but not necessarily statistical data. The most important reason, finally, is that the research is seeking to understand why these managers perceive CSR in a certain way. So, there is a need to clearly know informants’ contexts of work, education, and home culture as these may explain their perceptions. As such, a qualitative approach appears the most appropriate to conduct this research.

In addition, based on the research objectives this project may also be categorized as exploratory research. This is because research on CSR, especially managers’ perceptions of CSR, has never been undertaken in Vietnam. Consequently, in order to properly explore their perceptions about CSR, as well as CSR in their companies, an exploratory qualitative research methodology is useful and needed to approach these issues and these informants (Creswell 2003).

3.4 Research setting and sampling

According to Boeije (2010), the location to conduct research should be where the researcher can properly investigate the topic and studied subjects. Selecting an appropriate research location significantly impacts on accessibility for exploration of the research phenomenon. However, research location also depends on the research purpose. The main purpose of this research is to explore what managers in construction companies perceive as CSR and what leads to such perceptions. It concerns the personal point of view; therefore, the places should be convenient and appropriate for informants to express their thoughts, such as informants’ offices or
construction sites. Consequently, interviews were conducted in managers’ offices, if they are in senior positions, or project sites or companies’ meeting room or cafés, if they were middle managers.

According to the needs of this study, all aspects of managers’ understanding and perceptions, but not necessarily of representative of all managers, need to be explored. To achieve this purpose, the sample must be chosen broadly from management levels. This means that the sampling inquiries must result in the collection of a wide range of information (Boeije 2010). Therefore, purposive and convenience sampling was selected as the most appropriate for collection of different viewpoints of informants (Miles and Huberman 1994, p.27).

There are a number of reasons that for choosing this sampling strategy. First, the informants were senior and middle managers in construction companies. These managers were chosen in order to canvass different point of views of managers. However, the list of interviewees was supplemented, when new and appropriate ones were recommended by other interviewees. Among the total of twenty one interviewed managers, there were five CEOs, seven deputy general directors, three project managers, and six heads of departments. The argument for this selection is that those managers occupy the positions in the construction companies appropriate to be informants (ed. Flick, Kardorff et al. 2004).

The sampling did not consist of front-line managers. In the construction industry in Vietnam, front-line managers are mainly promoted to management positions on the basis of their experiences and skills in construction. Due to the lack of senior construction workers, contractors usually offer a high level of compensation and benefits to attract them. This leads to a high turn-over rate of front-line managers. They change their employers frequently and this mobility drives them to not fully understanding the corporate business philosophy and policies of the companies they work for. Therefore, it is difficult to conduct appropriate and effective sampling of this group. In addition, front-line managers have a more limited role in the organization, especially with regard to their informational role (Jones and George 2008). As such, while it would be worthwhile to include front-line managers so as to be able to compare their perceptions with those of senior and middle managers, the pragmatic difficulties in doing so ruled this option out for the research.
Secondly, as to gender, international research suggests that there are differences in perceiving CSR between male and female managers. The sampling consists of a majority of male managers and a smaller number of female managers, reflecting the demographics in the industry. During data collection, the researcher found only two women, including one CEO and one head of department, who were in senior positions in construction companies and appropriate to be informants. This results from the limited number of women in the construction workforce and, particularly, in management positions (Dung, Hai et al. 2005).

Thirdly, more contractor companies than design and consulting companies are included in the sample. Within the eleven interviewed companies, there are eight contractors, two design and consulting companies, and one concrete manufacturer (see Table 3.1). This is because the activities of contractor companies have a greater impact on their stakeholders as well as on society than do the others by changing the physical landscape and the environment in the living area, and deciding on the projects or buildings.

<table>
<thead>
<tr>
<th>Company</th>
<th>Ownership</th>
<th>Main activities</th>
<th>No. of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>213</td>
</tr>
<tr>
<td>Company B</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>150</td>
</tr>
<tr>
<td>Company C</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>3,200</td>
</tr>
<tr>
<td>Company D</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>&gt;4,000</td>
</tr>
<tr>
<td>Company E</td>
<td>State-owned</td>
<td>Contractor</td>
<td>1,500</td>
</tr>
<tr>
<td>Company F</td>
<td>Private</td>
<td>Contractor</td>
<td>3,000</td>
</tr>
<tr>
<td>Company G</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>50</td>
</tr>
<tr>
<td>Company H</td>
<td>Private</td>
<td>Construction manufacturer</td>
<td>&gt;1,000</td>
</tr>
<tr>
<td>Company I</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>&gt;500</td>
</tr>
<tr>
<td>Company J</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>250</td>
</tr>
<tr>
<td>Company K</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>94</td>
</tr>
</tbody>
</table>

Interviewed companies include six large construction enterprises which have over 300 contracted employees, two medium enterprises with 200 - 300 employees and three small enterprises which have fewer than 200 contracted employees. The category of enterprises is based on the decree 56/2009/ND-CP issued on 30 June 2009 and signed by the Prime Minister Nguyen Tan Dung. The ownerships of the interviewed companies are divided between state-owned, joint-stock and private. Among eleven companies, there are eight joint-stock companies, but only one state-owned
corporation, and two private enterprises. However, it should be clarified that in eight joint-stock companies, there are four companies, companies A, B, I, and K, in which state ownership is dominant. They are supported in bidding for projects by parent corporations which are state-owned or governmental agencies. As a result, those organizational structures, cultures, and operations are similar to what they were before being privatized as public listed companies. Therefore, in this study, Companies A, B, I and K will be hereafter referred to as State-joint-stock corporations.

On the other hand, in the remaining four joint-stock companies, private shares of individuals are decisive in organisational governance. In particular, there are two companies, Company G and J, in which the State has no share. Consequently, Company C, D, G and J do not have advantages (such as support from parent corporations) over State-joint-stock corporations. Those companies, hereafter, are referred to as Private-joint-stock corporations.

Fourthly, all selected companies in the sample are located in Ho Chi Minh City (HCMC), which is not only the largest city, but also the most important economic centre in Vietnam. HCMC accounts for over 20% of GDP and industry and construction accounts for over 47% of the economic structure of HCMC (Wikipedia 2010b). This selection is because of the importance of HCMC in Vietnam as well as the convenience in the research.

Besides purposive and convenience sampling, the study also employed snowball sampling to approach potential informants. This is a way to identify the population to be studied population through initial samples (Adams, Khan et al. 2007; Vanderstoep and Johnston 2009). There are some reasons used to explain this sampling strategy in this study. Firstly, as noted above, the study is exploratory qualitative research. Snowball sampling, therefore, was employed because it is ‘used most frequently to conduct qualitative research’(Miller and Brewer 2004, p.275). Secondly, the key research subjects of this study are senior and middle managers in construction companies. It is quite difficult to have opportunities to directly talk with them via telephone, or to receive replies to emails. Hence, the benefit of employing snowball sampling is when ‘dealing with the difficult problem of obtaining respondents where they are few in number or where some degree of trust is required to initiate contact’(Miller and Brewer 2004, p.276). The target participants of the study are in the same sector, they know each other very well and they respect each other. As a
result, they become easier to speak to on the phone and to accept an interview appointment if they are introduced in advance by other managers they know. In this study, most of interviewed informants were contacted via the snowballing approach. Initially, potential construction companies were selected from the Ibuild website (www.xaydungvietnam.vn) which contains information about construction quotations, a construction directory, construction documents, and industry news. Then, they were sent a letter of initial contact information. At the conclusion of these interviews the respondents were asked to recommend other managers in other construction companies. Many informants were very willing to give contact information of other eligible respondents. Some of them even immediately made a phone call to those potential managers and asked for an appointment for the researcher. Last, as discussed in Noy’s study (2008), there is an interrelation between snowball sampling as data assessing and in-depth interviewing as data collecting. If interviewees feel pleased and happy after meeting, the chance of having more referrals increases. The major manner of data collection in this study was by in-depth interview; therefore, snowball sampling was employed as the most appropriate for data assessment.

3.5 Data collection methods

As previously stated, the main purpose of the study was to comprehensively understand managers’ perceptions of CSR as well as the evolving contexts affecting their perceptions. Data collection procedures must therefore be designed for exploration of these issues. The focus of the data collection procedures is on the participants’ views and expressions about CSR. According to Thompson et al. (1989, p.138), in such a case the in-depth interview seems to be the most powerful method to investigate informants’ understanding and experiences. Therefore, the main method of data collection was in-depth interviews with managers who occupy positions as senior and middle managers in construction companies. Each one-to-one interview lasted around sixty to ninety minutes and the data collected through interviews was recorded after getting each participant’s agreement. With such a research purpose, the researcher did not employ focus group research because all respondents are managers and it is very difficult to arrange suitable times for all to sit together. Based on the research questions, the interview was semi-structured in order to collect interview data that addressed the themes of the research, as well as to give managers opportunity to talk freely.
From the information on the Ibuild website, potential construction companies were selected to receive the initial contact letter. Only two companies (Company H, I) initially replied and accepted an interview. However, after interviewing the managers (Manager H1 and I1) they introduced other managers to the researcher by providing email addresses and mobile numbers. One of them even immediately phoned another general director to ask for an interview appointment. The researcher, afterwards, could approach those potential informants more easily. Therefore, ultimately, the main data collection procedure consisted of twenty-one in-depth interviews with twenty-one managers (see Table 3.2) in eleven construction companies. Some of those companies are from the list of the commercial directory on the Ibuild website (www.xaydungvietnam.vn). This website contains information of construction quotations, a construction directory, construction documents, and industry news. Hence, it is the business information gate of the construction industry. The selected companies were selected purposely in order to approach more contractors, rather than design and consulting companies, and companies located in HCMC. One senior and one middle manager in each company were to be interviewed. Ultimately, there were twelve senior managers and nine middle managers interviewed.

In order to approach informants, the researcher employed different methods to get contact details. First, the target companies were chosen from the Ibuild website in order to meet the research purposes. From the selected companies, the researcher’s network of relationships in the industry was used to approach informants. With any companies which could not be contacted by network relationships, the researcher collected the contact details, such as company postal addresses, emails, and office numbers, from the Ibuild website and then the appropriate person was contacted by phone or mail to explain the research and to seek their agreement to participate the research.

<table>
<thead>
<tr>
<th>No.</th>
<th>Manager</th>
<th>Position</th>
<th>Date of birth</th>
<th>Gender</th>
<th>Years in current position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Manager A1</td>
<td>CEO</td>
<td>1956</td>
<td>Female</td>
<td>14</td>
</tr>
<tr>
<td>2</td>
<td>Manager A2</td>
<td>Head of subsidiary</td>
<td>1956</td>
<td>Male</td>
<td>16</td>
</tr>
<tr>
<td>3</td>
<td>Manager B1</td>
<td>CEO</td>
<td>1973</td>
<td>Male</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>Manager B2</td>
<td>Head of project</td>
<td>1975</td>
<td>Male</td>
<td>4</td>
</tr>
<tr>
<td>No.</td>
<td>Manager Name</td>
<td>Position</td>
<td>Year</td>
<td>Gender</td>
<td>Age</td>
</tr>
<tr>
<td>-----</td>
<td>--------------</td>
<td>---------------------------------------</td>
<td>------</td>
<td>--------</td>
<td>-----</td>
</tr>
<tr>
<td>5</td>
<td>Manager C1</td>
<td>Deputy General Director</td>
<td>N/A</td>
<td>Male</td>
<td>N/A</td>
</tr>
<tr>
<td>6</td>
<td>Manager C2</td>
<td>Project manager</td>
<td>1982</td>
<td>Male</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>Manager C3</td>
<td>Deputy General Director</td>
<td>1970</td>
<td>Male</td>
<td>7</td>
</tr>
<tr>
<td>8</td>
<td>Manager D1</td>
<td>Director</td>
<td>1975</td>
<td>Male</td>
<td>4</td>
</tr>
<tr>
<td>9</td>
<td>Manager E1</td>
<td>CEO</td>
<td>1963</td>
<td>Male</td>
<td>8</td>
</tr>
<tr>
<td>10</td>
<td>Manager E2</td>
<td>Head of HR department</td>
<td>1975</td>
<td>Female</td>
<td>&lt;1</td>
</tr>
<tr>
<td>11</td>
<td>Manager F1</td>
<td>Project manager</td>
<td>1979</td>
<td>Male</td>
<td>5</td>
</tr>
<tr>
<td>12</td>
<td>Manager F2</td>
<td>Deputy General Director</td>
<td>1973</td>
<td>Male</td>
<td>5</td>
</tr>
<tr>
<td>13</td>
<td>Manager G1</td>
<td>Head of Project Department</td>
<td>1980</td>
<td>Male</td>
<td>3</td>
</tr>
<tr>
<td>14</td>
<td>Manager G2</td>
<td>CEO</td>
<td>1973</td>
<td>Male</td>
<td>2</td>
</tr>
<tr>
<td>15</td>
<td>Manager H1</td>
<td>Deputy General Director</td>
<td>1955</td>
<td>Male</td>
<td>&gt;10</td>
</tr>
<tr>
<td>16</td>
<td>Manager H2</td>
<td>Head of subsidiary</td>
<td>1956</td>
<td>Male</td>
<td>18</td>
</tr>
<tr>
<td>17</td>
<td>Manager I1</td>
<td>CEO</td>
<td>1956</td>
<td>Male</td>
<td>12</td>
</tr>
<tr>
<td>18</td>
<td>Manager J1</td>
<td>Project manager</td>
<td>1982</td>
<td>Male</td>
<td>6</td>
</tr>
<tr>
<td>19</td>
<td>Manager J2</td>
<td>Deputy General Director</td>
<td>1975</td>
<td>Male</td>
<td>7</td>
</tr>
<tr>
<td>20</td>
<td>Manager K1</td>
<td>Deputy Director</td>
<td>1973</td>
<td>Male</td>
<td>7</td>
</tr>
<tr>
<td>21</td>
<td>Manager K2</td>
<td>Head of Project department</td>
<td>1975</td>
<td>Male</td>
<td>6</td>
</tr>
</tbody>
</table>

Additionally, the other method to collect data was documentation research. By using this method, the activities of the construction industry were examined to provide valuable background as well as to compare this data with the experiences, opinions and perceptions expressed by the interviewees (Silverman 2006). Documentation research was undertaken in order to collect archival data from industry reports, company reports, international transparency reports, professional magazines and newspaper articles. Internet sources were especially important to collect such data (Silverman 2006). Such data can be collected ‘in situ’ - within communities of practice’ (Gracy 2004, p.336). The archival data can be related to workforce accidents in construction sites, collapsed buildings/projects, corruption, and voluntary activities of studied companies. Such archival data potentially supplements the data collected by observations and in-depth interviews.

### 3.6 Data analysis

After the data was collected, it was transcribed by the researcher. The interviews were conducted in Vietnamese and the researcher then translated all of the taped transcripts into English.
This study employs thematic analysis to address the research questions. According to Gibson and Andrew (2009), thematic analysis serves three main aims; examining commonality, examining differences and examining relationships. With those aims, thematic analysis fits the purposes of this research very well. The purpose of data analysis was to discover the understanding of CSR of managers in the construction industry relating to four categories: economic, legal, ethical, and philanthropic responsibilities (Carroll 1979); personal background influencing their perceptions; and CSR performance in their companies. Hence, theory-driven thematic coding (Boyatzis 1998) or concept-driven coding (Gibbs 2007) was employed to analyse the data.

The process of data analysis was as follows. In the first stage, data collected was transcribed verbatim. From the transcribed taped interviews, and the researcher’s note-taking through interviews and non-obtrusive observation, data was grouped by themes. In particular, the process of data analysis consisted of identifying and categorizing transcripts in regard to the research questions. The themes and thematic analysis sought to accurately identify and depict the informants’ points of view and perceptions of CSR.

All data were collected through interviews over an eight month period between June 2011 and January 2012. Of the twenty one managers interviewed, there were nine in middle management positions, including project managers, heads of departments and heads of subsidiaries. The other twelve managers were in senior positions, such as CEOs or deputy general directors.

The process of coding interviewed data followed consistently the guidance of ‘a fixed three-step sequence with open, axial and selective coding’ of Strauss (cited in Neuman 2003, p.463). After transcribing verbatim all recorded interviews, the first pass of coding was to condense the pool of opinions into categories used to describe commonalities in data (Gibson and Andrew 2009), namely Vietnamese managers’ understanding of CSR, factors influencing Vietnamese managers’ perceptions of CSR and conducting CSR in their companies (see Appendix 5, 6, and 7).

The second pass focused only on the initial categories identified in the first coding, rather than on data. Each category was carefully reviewed and analysed in order to identify whether or not existing coding could be divided into sub-categories or
whether several concepts could be combined into more general ones. Afterward, identified categories were grouped and organized around four types of responsibilities in the CSR pyramid of Carroll (1991), namely philanthropic, ethical, legal and economic. In each category of responsibility, there are sub-codes which are named depending on characteristics of grouped categories. For example, in the area of philanthropic responsibilities, three sub-groups embrace serving a specified community, serving an external community, and serving an internal community. In the area of ethical responsibilities, the two sub-groups are organizational issues and personal awareness. Similarly, the area of legal responsibilities has only one sub-group; regulatory compliance. The area of economic responsibilities includes being profitable, efficient, and productive. Other responses, which are not appropriate to be grouped in any of the types in Carroll (1991), are categorized under Other types of responsibilities. These other groupings are environment, human resource (HR) issues, prestige and reputation, responsibilities to stakeholders, and national responsibilities.

Likewise, from the research and interview questions, factors which have impacts on managers’ understanding and thinking were listed and grouped into four categories; namely education, working life, personal issues and other interactions.

The final pass involved scanning the data in order to find appropriate material to support and illustrate the designated categories. Beginning with identified categories as the search guide (Neuman 2003), all transcribed interviews were reviewed selectively to quote informants’ opinions in order to elaborate major themes.

All identifications of respondents were kept confidential. Therefore, a coding process was employed to code names of approached construction companies and those of interviewed managers. The eleven participating companies were coded from A to K. Then, twenty one interviewed managers from those companies were coded as A1, A2 to K1, K2. The interviewees in the construction department were coded as AO1 and AO2. These code names are used in the whole of this document in order to ensure confidentiality for participants.

Manual thematic analysis, rather than software such as NVivo, was employed to undertake this study. Doing this step, the coding process and categorizing of data was undertaken at the same time (Spiggle 1994). From the overview about the development in defining CSR in Chapter 2, there were nine key dimensions in CSR
definitions. The dimensions were economic, legal, something beyond economic and legal, ethical, philanthropic, environmental, business ethics, stakeholder management and social environment (see Appendix 3). These nine dimensions were preliminary themes used to initially deal with the mass of data. Based on the themes, data obtained through interviews was categorized.

However, new emerging themes from the data collection were identified and contributed to subsequent analysis (Neuman 2003). Five new emerging themes include environment, human resource issues, prestige and reputation, responsibilities to stakeholders, and national responsibilities. The data was labelled according to the four categories of responsibilities (i.e. economic, legal, ethical and philanthropic) and identified dimensions, informants’ backgrounds, and CSR performance. Based on this step, the categorized themes as well as five emerging themes (Taylor and Bogdan 1998) which cannot be categorized were used to explain managers’ perceptions, relevant contexts influencing their thinking, and CSR performance in construction companies. In addition to coding the interview data and the thematic analysis of the interviews, short company profiles were constructed from the data so as to highlight particular cases or practices and so as to be able to compare companies according to selected themes.

In the second stage, analysis of the managers’ perceptions of CSR was undertaken. To conduct comparison within collected data, the similarities and the differences between perceptions of managers were identified. Comparative analysis is used to ‘look for the ways that things are different and the way they are similar and explain why there is variation and why there is not’ (Gibbs 2007, p.78). Therefore, comparative analysis was employed in order to address the third research question.

3.7 Ethical issues

This research faced some ethical issues while collecting and analysing the data and the subsequent dissemination of the findings. The main ethical principle applied is not to harm or have any adverse effect on participants. Therefore, in-depth interviews were undertaken in accordance with the standards of the University of Western Sydney (UWS) Human Ethics Review Committee (HERC) and the National Ethics Application Form (NEAF).
According to Gibbs (2007), the ethical issues which should be considered consist of informed consent, anonymity of transcription, and the authenticity of transcription. First, all informants were delivered a written consent document and provided with the purposes of this research and its background. They were also informed that the information in the interviews was to be used for academic purpose only and that they could withdraw from the research at any time. Secondly, transcribing the in-depth interviews was confidential and in private. No one, except the researcher and the supervisors at UWS, can access and use the data. Lastly, the transcription of interviews could, if requested, be reviewed by informants.

3.8 Conclusion

The purpose of this chapter is to provide in detail the methods adopted to conduct this study appropriately. The discussion of this chapter is to demonstrate that exploratory qualitative research methodologies were well suited to the research objectives. Moreover, purposive and snowball sampling as *data accessing* and in-depth interview as *data collecting* affirm that they were the best choice for this study to gain the proper insights into managers’ perceptions towards CSR. Through in-depth interviews, research participants could talk freely about their personal thinking, understanding and perceptions about CSR. In particular, this data collection method helps in investigating managers’ views about their companies’ CSR practices; which is otherwise quite difficult for any researcher to obtain.

The study design is also to achieve the general purpose of filling the gap in literature about CSR in developing countries. The study design focused on exploring managers’ understanding of CSR, which is one of significant points influencing CSR practices in business operations.
CHAPTER 4 - VIETNAMESE MANAGERS’
PERCEPTIONS OF CSR AND STAKEHOLDERS
4.1 Introduction

It had been affirmed in Chapter Two, the Literature Review, that the role of managers or managerial behaviours is significant in disseminating CSR. Moreover, the relative lack of literature in explaining managers’ perceptions of CSR leading to CSR dissemination is also obvious. Therefore, the main purpose of this study is to investigate managers’ perceptions of CSR in the Vietnamese construction industry. To address this research purpose, the study firstly began with a consideration of what senior and middle managers in construction companies perceive of as CSR. Then, the factors influencing their perceptions were explored to understand why they perceive CSR in the ways they do. Then, the study did a comparison of managers’ perceptions and explained the reasons for the differences. Lastly, CSR practices in construction companies from managers’ personal views were examined.

Chapter Two also pointed out that studies on managerial attitudes towards CSR were still limited and the topic was mostly investigated by quantitative methods. The present exploratory research with in-depth interviews allowed for a deep exploration and identification of managers’ thinking and understanding of CSR.

As outlined in the previous chapter, Research Methodology, the respondents were senior and middle managers who have significant influence on their companies’ operation. Therefore, in-depth interviews are the most powerful method to profoundly investigate the understanding and experiences of informants, who are senior and middle managers in construction companies. This method allowed the researcher to properly investigate informants’ thinking and gave them opportunities to talk freely about their personal opinions. Based on Carroll’s CSR pyramid (1991), the semi-structured interview questions were designed to guide the interviews and equip the researcher with a range of perspectives on what are understood as CSR and what are emerging ideas of CSR not yet stated in Carroll. This method was very useful in gathering personal stories which have had an impact on the thinking and understanding of CSR of the informants.

4.2 Philanthropic responsibilities

In his study of CSR, Carroll (1991) explains that philanthropic responsibilities are contributions by business to the community in areas such as financial and human resources and for improving the quality of life. Consistent with Carroll’s explanation,
when being asked about philanthropic responsibilities, interviewees expressed their understanding of philanthropy as spending time, money, or human resources to contribute to social development. There are three main sub-themes generated in the interviews on philanthropic responsibilities; namely serving the external community, serving a specified community, and serving the internal community.

4.2.1 Serving the external community

In any discussions about philanthropic responsibilities, the issue of looking after community is of significance. The term serving external community describes any duties that business should fulfil or should be responsible for. External communities included surrounding communities, those that are in the neighbourhood of companies, and community or society in general. Generally, the interviewed managers expressed two main views on this theme.

The first view about obligations of business in contributing to social development was mentioned by thirteen managers. They recognise the responsibility of contributing to society by companies and the individuals who are working in those companies. They stated that companies must create benefits for surrounding communities and contribute to the society through their operations because practicing CSR is having an impact on the surroundings. As articulated by a Factory Director:

> In terms of CSR, it is ... whenever there are natural disasters ... all staffs have contributed one day of their salary. Also, the General Director offers a scholarship funding in the HCMUT, every year ... and he also contributes to a school ... That is, contributions to the community are a corporate responsibility. (Manager H2, 2011, research interview)

This concept is also mentioned by a Director of a large contractor:

> Charity can be called a responsibility. When you achieve a certain level ... you have money ... then, your responsibility is to share with the community. (Manager D1, 2011, research interview)

A manager of a subsidiary of a state joint stock company:

> Practicing CSR is done through taking part of the profit to ... contributing to charity houses, or performing voluntary activities. It's a duty a company needs to do and ... must do. That is a duty beside our professional responsibilities. (Manager A2, 2011, research interview)

The alternative view does not consider voluntary activities as a required responsibility of business. There are five managers who don’t agree that discretionary activities are
a business’s responsibility. In their thinking, charitable practices are something that a company should do if it has enough capabilities to fulfil them. This was expressed by a middle manager, noting that:

"Generally, philanthropic activities are also done in our Company G … These activities are philanthropic; they are not a corporate responsibility. It is because we think we should do it, not because we are required to (Manager G1, 2011, research interview)"

A similar opinion is also clearly articulated by a CEO:

"If the business is good, we contribute to some philanthropic activities. It is not many, but we still do it … As I said at the beginning … if you cannot take care of yourself, how you can care of others? (Manager B1, 2011, research interview)"

Another manager highlighted that philanthropic activities only can be a corporate responsibility if it is stated in the company’s mission.

"If so, in the mission, the company has to state … it will have to do that issue, right? We will do charitable activities … we will practice social events … If so, it is among their responsibilities. However, I think, missions and visions of companies are not stated in that way, right? (Manager J1, 2011, research interview)"

4.2.2 Serving a specified community

Looking after a specific community is identified in an interview with a senior manager. Although mentioning philanthropic activities as a not-required obligation of business in general, Manager H1 regards such activities as his company’s responsibility. The term specified community is created because the interviewed manager did identify a particular community that his company, in his thinking, must be responsible for. The identified community is a university and the reason is that it has a strong influence on the company as most of employed engineers graduated from that university. That Deputy General Director emphasized that:

"To us, we categorize that as a responsibility. For example, in my case, I graduated from the University of Technology (HCMUT); I have to be responsible for instructing students in internship. That is my responsibility. Or we have granted scholarships for students HCMUT … The main point is our responsibility to the society, for the university training us. We are senior, so we have the duties in training for the juniors. It is not only the responsibility of the company for the society, but also my own duty to my University where I used to study. Therefore, I practice two issues at the same time. The duty of myself and that of people graduating from HCMUT, so that"
I have to instruct and train the juniors. Regarding to the society, the responsibility ... it cannot be that the company always recruits the trained students, there are many other issues ... The company must be involved in training with universities. Right? Hence, my company has granted scholarships for students. It is obvious ... It is normal. Such things are not required, but we have categorized them as our responsibilities. (Manager H1, 2011, research interview)

Regarding supporting this university in training, a project manager also mentioned in his interview as follows:

Moreover, our company also supports HoChiMinhCity University of Technology. The lecturers have visited our sites, and we share our experiences with them and help them in supervising students. Then, they send their students to our sites to practice. For example, in this site, there are over 10 students practicing. (Manager F1, 2011, research interview)

It needs to be explained that, in the South of Vietnam, HCMUT is a very well-known university, especially in providing engineers majoring in civil engineering. Construction engineers graduating from HCMUT are not only good in technical skills, but also in creative ability and leadership skills. Every year, in students’ thesis defence, companies come to attend their presentations and recruit them right at their defence. One more point should be noted is that most of the members of management boards of construction companies graduated from HCMUT. One note is that the researcher of this study comes from HCMUT as well (but from The School of Industrial Management) and that perhaps assisted in approaching interviewees who were graduates of the HCMUT. These reasons help to understand why this interviewee did identify HCMUT as a community that his company has to be responsible for.

4.2.3 Serving the internal community

One sub-theme generated from questions about philanthropy is that of serving the internal community. This idea is from a senior manager who thinks a company must best serve its employees, or serves them first, rather than any communities in general. The term internal community represents employees, staffs and any temporary workers who are working for a company. A firm expression that does not advocate offering charitable activities to the general community, but to the internal community, is:

Charitable activities? You should do such activities right in your company. It is because, in your company, I mean that in the community of your company,
there are hundreds people … a large company may have thousands employees … In many cases, there are up to ten thousand workers. In that community … meanwhile you do charitable activities, it can help only 1 or 2 persons, not many people. Our company also participates in building charity houses … we also participate. However, it is a minority, … for some persons only … it is from the requirements from the City to ask us to contribute …

(Manager C1, 2011, research interview)

According to this manager, instead of spending for charitable activities for the general community, companies should spend for their employees’ families and relatives. These activities go beyond human resource policies for employees or employee rights. His example used to support this point is that leaders of companies can spend only 500,000 VND (around USD25) per month (beside compensation and benefits) to help a construction worker send his/her child to school (meanwhile, to build a charity house, it costs at least 20,000,000 VND-around USD 1,000). According to this interview then, charity should be practiced in the internal community for the organizational workforce, rather than in general communities for public charity.

In summarizing, with respect to the scope of the philanthropic responsibilities, there are two trends in managers’ understanding. Some managers claim that charitable activities cannot be a requirement of businesses, but they will take on such responsibilities if they have enough capacity. As clearly expressed by a senior manager of a large corporation:

Actually … there are some periods of time … when we were still a small company; such activities cannot be named as responsibility, while we were not sufficiently established, we had to earn money. However, till now, it can be called as responsibility … when you achieve a certain level … you have money … then, your responsibility is to share with the community...

(Manager D1, 2011, research interview)

On the other hand, some argue that discretionary activities are definitely considered as responsibilities of businesses towards society. It is because, from their view, businesses get much benefit from different communities so, in turn, they must contribute to those communities. Those communities include staff, universities, and surrounding communities.

Even though there are differences in managers’ thinking of discretionary obligations, managers all agreed that firms should conduct these kinds of responsibilities in their operations. Moreover, discretionary obligations are described differently, from buying
products made by disabled children, collecting money for donation, to building houses for the poor or helping students in studying and working.

4.3 Ethical responsibilities

The interview questions were informed by Carroll’s (1991) explanation as to corporate activities or practices expected or prohibited by society, even though not documented into laws. Therefore, the theme, ethical responsibilities, is to represent all relevant activities that interviewed managers described. In their view, such activities should be performed while running the business. Nevertheless, those activities are not only conducted by corporations, but also by individuals who are working in the construction industry. Based on informants’ responses, two sub-themes, organizational ethical issues and personal ethical awareness, were developed to categorise duties of companies and individuals.

4.3.1 Organizational ethical issues

All ethical practices which need to be performed by a business are named as organizational ethical issues. This theme embraces activities or practices which are not clearly-defined or identified. How well companies perform those depends much on each company’s policy and operation.

The term that five managers used in their responses about ethical responsibility was business ethics. These five managers are in senior management positions (CEOs and deputy general managers). A CEO of a large corporation explained ethical responsibility as similar as business ethics,

*When corporations behave in the light of business ethics, they express corporate ethical responsibility to the society.* (Manager E1, 2011, research interview)

In their view, achieving business purpose has to be based on the ethical principle of not harming any stakeholders or society in general. As articulated by a CEO in his explanation as to the term business ethics,

*Business ethics means that companies operate without any fraudulent practice ... not harming ... intentionally or irrespectively, to achieve their business purposes, but not to damage the society or someone.* (Manager G2, 2011, research interview)

Along with affirming that business ethics is the responsibility of business persons towards the society, a senior manager explained how business ethics is practiced in
his companies by giving an example relating to issues of employment and compensation.

*We cannot take unfair advantage to get benefits or higher profit ... We also cannot ... compel employees working with a very low salary ... We need employees to work, not to ... It doesn’t mean that CSR is the responsibility to create employment and pay for them to live with at a very difficult life. Fair pay, or not! (Manager H1, 2011, research interview)*

This manager is also the one who mentions the term *spiritual responsibility* and he used compensation issue to explain how such responsibility is practiced in business. Using the requirement as to minimum pay grade issued by the Vietnamese government, he highlighted the issue of how legal documents are understood and implemented depends much on each company, each executing manager. He used the term *leader’s heart and vision* and explained its effect on compensation.

*Although there are legal responsibilities, it requires business to have spiritual responsibilities as well. For example, the government issues the requirement about the minimum salary, not maximum salary ... Such issues depend on the leader’s heart and vision, so that they can find solutions, ... (Manager H1, 2011, research interview)*

The other idea expressed about ethical responsibility is that business should *do more than required*. This term is generated as duties which are mentioned by interviewees and are not required in any legal documents. Contractors, for instance, need to check drawings before conducting projects, even though such a job is not their duty. Such activities help to make society safe and serve communities as well. As explained by a senior executive when he answered the question about what should be performed by business although not documented in rules and regulations:

*When we study the drawings, we discover shortcomings in those documents. From the view of the contractor, we always point them out to owners, even though that job is not ours, ... whether this work should be done, or that work should not be done ... (Manager C3, 2011, research interview)*

### 4.3.2 Personal ethical awareness

Besides organizational ethical issues, interviewed managers also depicted the significance of individuals’ awareness of, and their contribution to, ethical responsibility. This issue derives from their thinking of the necessary contribution of individuals while performing professional duties. *Professional conscience, personal*
awareness, and working with heart and virtue are three issues mentioned by managers.

In their view, professional conscience occurs when an individual uses his/her own knowledge to advise owners or customers or to find the best way to conduct projects. A CEO gave example to illustrate this issue:

> When we perform a project for an investor, who does not have knowledge about the techniques, materials ..., then we must advise him or her how to perform that project safely and economically. We cannot behave in a bad way like ‘you do this or do that and let me earn money from your project’ ... It cannot be accepted. (Manager B1, 2011, research interview)

A CEO of a design and consulting company also affirmed this issue, even though her expression is not fluent. Her example is about a consulting service in which engineers and architects use their professional knowledge to advise owners, especially those, who use government budgets, how to design a project effectively and economically and not to spend too much of the budget.

> ... you don’t need too much, only such a design ..., we will design a nice drawing, your project will be as good as you expect, with only this amount of money ... Many owners say ‘you can draw more’ ... they add more and more, but I don’t agree. My staffs, engineers and architects, even say that it is a good drawing with which only such and such works. And I understand that it is an aspect of ethics, it is professional conscience. (Manager A1, 2011, research interview)

Awareness is another term mentioned in a senior executive’s discussion. It must be noted in the interview that individuals are a pivotal factor in practicing CSR. Therefore, human awareness affects significantly the way a firm behaves. Illustrating by examples from traffic and environment cleaning which are not from the construction industry, this executive highlighted the importance of human awareness:

> I think CSR has a tacit meaning. It is about awareness of each person of his or her responsibility to community and society. It is the most firm background ... For example, on the way to work, I saw a group of young people tidying up the rubbish in NhieuLoc canal. I really appreciated this and wondered myself who they are. It was really a nice scene. But then, I saw them having breakfast, and they throw the rubbish away... (Manager K1, 2011, research interview)

Clearly, personal awareness will be different to positions of managers who have cardinal impacts on employees and organization. Working with heart and virtue is a
more specific term when a young manager described his understanding of ethical responsibility.

*I realize that people working for my corporation always use their heart and virtue to perform their job … Actually, as I told you, my corporation seems to be my family. A family having its norms, such as ethics, responsibilities, working with heart and virtue, can make members be more responsible.* (Manager F1, 2011, research interview)

Even though Carroll (1991) stated ethical responsibilities are ill-defined and not codified into laws, the interviews reveal that in managers’ understanding, ethics is a significant issue not only for firms, but also for every individual staff, manager, and leader in those firms. As expressed by a middle manager:

*Regarding ethical responsibilities, everyone needs a professional conscience … because a beam or a slab … needs to be calculated … For example, it needs 2 steel poles, but someone says “I think it needs 3 poles to ensure … 2 poles cannot be accepted…. ” Even though carefully calculating, does anyone dare to ensure it is exact? … No one can ensure for exactness. It is not physics, not chemistry, it cannot have exact numbers. Therefore, it needs conscience … so job performers … For example, an architect designs a house, and another architect cannot have the same thinking as his. So, how to compare? Their employees will be assessed on how much time they spend on it. How much time, how much effort they spend to create the best products … But I think, it is not only in this sector, but also in others. For example, it will be better if a doctor spends more time in a patient … It is the same in other sectors. Spending more time will provide good products.* (Manager A2, 2011, research interview)

To sum up, it should be noted that ‘ethics is derived from personal thinking’ (Manager G2, 2011, research interview), especially ‘…from the leader, because the leader is a motive force … if leader is honest, subordinates don’t dare to do wrong’ (Manager C1, 2011, research interview).

### 4.4 Legal responsibilities

As affirmed in Carroll (1991), legal requirements are compulsory for business. In general understanding they underpin ethical responsibility, but are set up by government as fundamentals for companies to run a business. The term legal responsibilities embraces all opinions and ideas of interviewed managers which relate to any requirements that companies have to face. To represent those opinions, Regulatory compliance is consequently generated.
4.4.1 Regulatory compliance

The common terms mentioned by eighteen managers are *obeying laws, not breaking the laws, or doing what is required by laws*. To these managers, all business aspects, such as construction and design standards, environment, labour safety, employment and paying tax, must be strictly followed and implemented in their corporations’ operation. They all affirmed that meeting the requirements of rules, regulations and laws is fundamental. An older middle manager stated:

… to such and such projects, we may adopt American standards … all the drawings … but these standards must meet … all have to strictly obey laws and legal requirements. There is nothing without a law, even designing a beam, or a slab … (Manager A2, 2011, research interview)

Or as affirmed by a Director of a large corporation:

*Obeying laws … for corporation D … it is a mandatory responsibility.*
(Manager D1, 2011, research interview)

Three managers emphasized that it is practicing CSR when businesses strictly obey rules, requirements and laws. From those managers’ points of view not breaking and obeying laws is the only way for business to practice and to survive and this is CSR. A project manager pointed out:

*Obeying laws is an important responsibility. It means we base ourselves on a foundation to oblige people to obey in order to ensure that the company is performing its responsibility.* (Manager C2, 2011, research interview)

Similarly, another interviewee, a Deputy General Director repeatedly highlighted the importance of not breaking laws as the key responsibility of business towards society. He clarified the point of CSR as obeying the laws as follows:

*I understand CSR is what we have to do for our environment, for labour safety, for employment … for anything … which is required by the law. CSR is … to us … we are an organization, we have to obey the law, then it automatically fits in CSR, right? (Manager H1, 2011, research interview)*

*Doing business honestly and developing business healthfully* are terms added by two senior managers in two corporations when describing how they understand CSR. One is in charge as a Deputy General Director of a large corporation which has a long history in development. The other is Vice Director of a small joint-stock company, which was more recently formed.

*The responsibilities of business toward society are … the most important responsibility is to develop healthfully … to get benefits healthfully … It*
means … It may be called as obeying laws … Of course we cannot do things contrary to the law. I think, CSR is not things this company or that company has to do, but it must become obvious … in bidding, in competing …, no backdoor tactics … (Manager K1, 2011, research interview)

This manager was mentioning the fact that, in the construction industry, when bidding for construction projects, especially governmental budget projects, some companies use “cứasau” (backdoor tactics) to compete with other competitor companies. Hence, he used the term *develop healthfully* to clarify the most significant responsibility a business should strive for.

From information provided by interviewed managers, it is clear that they all acknowledge the pivotal importance of legal responsibilities in running business. Even though expressed by different terms, such awareness does not depend on their ages, management positions, experiences, types and sizes of companies. Furthermore, compliance with legal responsibilities is also determined as the only way to survive in the market and to satisfy customers and employees. It is demonstrated by a manager:

*Obeying laws is a responsibility, that is, the standards we must follow strictly and seriously. First, if not, our products will be returned and we will be at a loss. It is definite! I think it is the issue that must be strictly performed and followed … It is because … let me tell you … the competition is extremely tough. You see, … all issues … Is it possible we play a game without rules? Who would play with us? … (Manager H2, 2011, research interview)*

A Deputy General Director explained that idea as following:

“… Therefore, in the operations, I need to obey the laws, to do business in the right way in all aspects, such as laws on the environment, on labour safety, on employment … it is called customer care. All those aspects are required by law, and I realize that they fit in with CSR requirements … The nature of business is forced by the legal environment, the external social context in order to … The only thing is that we obey the laws and then, it automatically fits in with CSR.” (Manager H1, 2011, research interview)

One point that should be noted here is that all interviewed managers were aware of the significance of legal responsibilities. Their awareness is not only consistent with Carroll(1979; 1991), but also with what is stated by other scholars, such as Carroll and Shabana (2010), De Schutter (2008), and Wood (1991)(Wood 1991; De Schutter 2008; Carroll and Shabana 2010). Wood(1991, p.710)points out that firms ‘don’t lobby for or expect a privileged position in public policy’ and De Schutter (2008, p.203) affirms in his article that legal obligations of business ‘should be affirmatively
Even though expressed by different terms and described in different business aspects, legal responsibilities in managers’ understanding are core responsibilities, which cannot be avoided in running a business. One important characteristic of the construction industry is that it has a significant impact on the environment and society. It is the largest industrial employer. As well, it has long lasting impacts on architecture and engineering projects. Its operation is related to, and linked with, many social aspects and industries, such as labour and employment, and multi-major industries. Therefore, managers’ understanding and acknowledgement of legal responsibilities is of crucial importance in relation to the possibility of strictly following rules and regulations. However, there is still a gap between managers’ understanding of legal duties and companies’ actual practices.

### 4.5 Economic responsibilities

As indicated in Carroll (1991, p.40), economic responsibilities are extremely significant because ‘Before it was anything else, the business organization was the basic economic unit in our society’. Economic responsibilities can be understood as the foundation of any other duties, obligations or responsibilities. Economic responsibilities are expressed as opinions about being profitable, efficiency, and producing in the interviews.

#### 4.5.1 Being profitable

In his study, Carroll (1991) described being as profitable as possible and consistently profitable as two components of economic responsibilities. Consistent with Carroll’s statement, the most-frequently mentioned concept by twelve managers is making profit. A director of subsidiary forthrightly affirmed that:

> The only responsibility of a business is making profit, but not any other responsibilities … (Manager H2, 2011, research interview)

Likewise, another senior manager in a large contractor also pointed out this idea in his personal understanding:

> From my personal understanding, CSR is … how to say … CSR is … our business … the purpose of business needs to make profit … (Manager D1, 2011, research interview)
In particular, a Deputy General Director highlighted the significance of making a profit in the following statement:

*Making a profit, obviously, is the first responsibility. Setting up a business is to reach that first, you understand? If a business can fulfil its responsibilities to the society, first of all, it must make a profit. If a leader cannot … manage and control a business, cannot make a profit …, it also means that he doesn’t fulfil the responsibilities to the society … Therefore, that is the first responsibility. (Manager H1, 2011, research interview)*

The point from this interviewee’s opinion is that making a profit is the only way for business to compensate employees and to pay tax. He mentioned compensation in two aspects of meeting the minimum requirements from government and competing with other corporations in labour market. He concluded that, without profit, the other responsibilities cannot be fulfilled.

### 4.5.2 Efficiency

One important issue mentioned by Carroll (1991) is efficiency. In his study, Carroll (1991, p.40) states that the one important economic responsibility is ‘to maintain a high level of operating efficiency’. From the data collected, efficiency is also generated as a sub-theme of economic issues, as its meaning is mentioned by four interviewees in different terms. Three seniors, one is CEO of a design and consultant corporation, other is CEO of a contractor corporation and the last is deputy general director of a construction material manufacturing company, stressed the significance of efficiency in running business as a responsibility toward society; especially in a Vietnamese corporation when competing with foreign competitors. The point which needs to be highlighted in interviewees’ opinions is that local corporations are not strong in financial resources and operating efficiently is the only way to care their employees, and to develop sustainably. One CEO stated that:

... *I think an effective and efficient operation is also a responsibility of a business to the society. A business operates effectively; its employees are cared for better, right?*

... *you must develop sustainably, I think, if you are responsible to the society, to the community … (Manager E1, 2011, research interview)*

More specifically, a senior clearly stated, in relation to infrastructure projects:
To me, CSR is that we complete the project as soon as possible when executing it, especially in public projects, such as a water system project. (Manager K1, 2011, research interview)

4.5.3 Producing

Consistent with what Carroll (1979; 1991) mentioned in his articles about the principal role of a business organization of producing goods and services, seven managers specifically stated that the primary obligation of a firm is providing good quality products and creating assets in order to create tangible benefits to society. However, according to the interviewees, responsibilities of business are not limited to producing goods or services, but also extend to providing those at an appropriate quality level. A director of a subsidiary evinced that:

... responsibilities of the company and individuals are to apply our qualifications to meet the requirements of society and it is improved gradually in order to provide society with the best products. Those are our responsibilities for society. (Manager A2, 2011, research interview)

Likewise, a project manager in a large corporation expressed his opinion about responsibilities of business:

Responsibilities of doing profitable business means ... building up many projects which are good looking and have quality products, then the society will develop. What happens if a business does nothing, or doing anything is loss-making, and so on; quality or effectiveness need to be considered, and so does social ethics ... Doing business must meet quality requirements, it is not profit as the only motivation to do everything ... impacting execution quality will affect society, for instance. (Manager C2, 2011, research interview)

Another project manager of a state-owned corporation mentioned a responsibility of a construction organization:

... when doing business, we are responsible for creating side-effects, tangible or intangible. Such effects are at higher macro level. The reason is that when we work, we are responsible for creating assets and of course those assets will be mingled with social assets. (Manager B2, 2011, research interview)

The point that should be noted in this section is that all interviewed managers are aware of the significance of economic responsibilities, even though they expressed their awareness in different ways. Importantly, most of interviewees have knowledge of making profit and providing good quality products as the prerequisite to any other duties. Under the scope of economic responsibilities, perhaps, the main explanation of
the understanding of managers is that ten of eleven interviewed companies are privatized and joint-stock corporations. In such companies, the remuneration of middle managers and their promotion is closely linked to business results. Senior managers, especially CEOs, are responsible for making a profit and maximizing earnings per share for shareholders.

As the Vietnamese economy becomes more developed, local construction companies have been competing not only with each other, but also with foreign corporations. As expressed by one CEO:

> there are not only local companies, but foreigners come here to set up consulting companies with a very low cost … they send only some leading engineers, then they have gathered Vietnamese engineers to … to get a very large amount of money. (Manager I1, 2011, research interview)

This was also expressed by another Deputy General Director:

> In my sector, you know, there is the participation of foreign companies. My partners, my competitors are foreign companies, such as Holcim Corporation, Apha Corporation … (Manager H1, 2011, research interview)

Therefore, another driver that explains managers’ understanding of economic responsibilities is that they are all aware of serious competition in the construction sector. Under the pressure to survive and develop in such a competitive market, the significances of effective operations, providing good quality products, and making profit are essential for construction corporations to maintain their positions in their customers’ evaluation.

### 4.6 Other types of responsibilities

The responsibilities discussed above are clearly classified and well defined in Carroll’s articles (1979; 1991). However, in managers’ thinking and understanding, the obligations of businesses toward society are not limited to economic, legal, ethical and philanthropic responsibilities. There are many more responsibilities that corporations have to shoulder while running their business. From interviews, five more responsibilities, human resources issues, prestige and reputation, environment, responsibilities to stakeholders, and national responsibilities, were specifically mentioned. Among those identified responsibilities, human resources issues, and prestige and reputation are two themes most frequently mentioned by managers.
4.6.1 Human resources issues

There is an overlap between human resources (HR) issues and legal and ethical issues. As HR management is a specific domain within business and is conducted by specific departments or managers within organizations, it is useful to treat it separately here. The Discussion chapter will examine the connections between HR, legal and ethical issues.

Fourteen of twenty one managers – two thirds of interviewees – articulated issues relating to HR as significant responsibilities toward society. The issues mentioned comprise HR policies, and responsibilities to employees, such as creating a good working environment, creating jobs and incomes, and assuring safety on construction sites.

Regarding responsibilities to employees, there should be classified in sub-issues which are stated by managers. The first sub-issue, creating jobs and income, is highlighted as the most significant duty that a business has to be responsible for. Interestingly, not only middle, but also top managers strongly indicated creating jobs and income before any other thing when asked what CSR is. As conveyed by a Deputy General Director in a private corporation:

> CSR of a construction company, in my opinion, is to create jobs for its employees. This also means to create jobs for the society. (Manager F2, 2011, research interview)

A middle manager of a contractor reaffirmed this; he answered that responsibilities of business toward society are:

> I think a business must guarantee the employment for its employees ... because if they have a job, they can earn money, they will live better. The main responsibility is for its employees. For example, guaranteeing employment, they can earn what they need for their lives in your business… (Manager G1, 2011, research interview)

Four managers, including one Deputy General Director, mentioned creating jobs and income as a responsibility after making a profit and providing good quality products as per their obligation of CSR.

Managers also expanded responsibilities of corporations to creating a good working environment and assuring safety on construction sites for their employees. A CEO of a joint-stock corporation, which has recently been privatised, explained this issue:
What is CSR? First, I have to be responsible for business results and creating jobs for employees. If the company gets benefits, everyone is happy. It is a whole society in my company. There are 150 contracted employees, 150 people times 4 = 600 people in many families. It is good, I think, as it is like a small society, it is the responsibility for my employees, creating a good working environment, creating incomes and jobs for them, assuring safety in sites … It is responsibilities for people I have signed employment contracts and their families as well, such as organizing tours for employees and their children, giving awards … If I can satisfy such factors, in turn they will satisfy the company’s needs. These are my responsibilities to my employees. (Manager B1, 2011, research interview)

More clearly, a project manager expressed his opinion in defining CSR:

CSR is … generally, in my opinion, when doing business, we have to try to keep the working environment tidy. All construction workers working with us feel that they are working in an environment without danger..., limiting as many risks as possible ... We have to protect the employees ... by our management system, safety, environmental sanitation ... (Manager F1, 2011, research interview)

In terms of HR policies, two senior managers affirmed that responsibilities of business are those to do with HR. This point is clearly explained by a Deputy General Director of a large contractor:

To company C, the most valuable resource is our personnel. Personnel … I don’t know how it is to other companies … to C company, it is of the most importance … It is because personnel are the factor deciding success or failure of a company. Therefore … personnel are cardinal, Let’s talk about a very simple issue. ...workers are so important ... caring them ... not only in money. Money is not enough, salary is only a part. They live not only by money, but also by relations, behaviours ... in a working manner. In many cases ... paying highly, but they still don’t agree to work, they still quit. That is normal. For example, why … in terms of a slogan … any companies can show ... “Safety first” ... Performing is pivotal. A slogan is only an idle talk. However … if you have a policy ... Why should it raise safety as the most important factor? It is because ... valuable resources are personnel, hence if accidents occur ... we have many projects ... we perform 10 projects and we can get profit at 100 ... if an accident occurs, there is no meaning in our company’s operation or success. Once an accident occurs, there are many problems. Therefore personnel are pivotal in a company... But, to C company, responsibilities to personnel are important. (Manager C1, 2011, research interview)

What can be seen from such a long quote is that this interviewee considers the way of treating employees, especially construction workers, as the most important factor in
operations. His explanation shows that profit does not make sense to a company if workers have to deal with accidents in working and, to avoid accidents, it requires the company issues and practices policies that protect employees. Behaviours of management towards employees are also a consideration, and compensation is not a tool to resolve issues them. These factors can be grouped into HR policies.

To conclude, under the scope of human resources issues, it is quite clear that in managers’ understanding and awareness, responsibilities of corporations toward employees are really significant and these responsibilities are the prerequisite of any businesses. Of fourteen interviewees who were aware of the significance of HR issues, there were nine senior, and five middle managers. This point reflects that managers’ awareness of CSR has developed with the new view of HR when they set HR issues as prioritized duties that firms must fulfil. Additionally, interviewees also perceive that the responsibility of satisfying employees has a close link and strong impact on business results.

4.6.2 Prestige and reputation

Another issue mentioned by managers is that keeping their word and prestige are responsibilities a firm must shoulder in order to exist in the current market. Under the scope of the theme prestige and reputation, two sub-themes are generated; commitment, and prestige and reputation. In interviews, commitment and prestige and reputation are mentioned by nine managers.

Regarding commitment, even though managers used different terms, such as keep words, keep promise, do properly and completely what we say and so on, the key opinion highlighted is that a business must satisfy internal and external stakeholders. A Deputy General Director of a contractor corporation recognized the significance of commitment, even though he is also aware of making profit as an absolute responsibility of business:

To shareholders, we also have ... a pressure ... it is likely a pressure from shareholders. To them ... actually, that is an annual responsibility ... However, we have to keep our commitment in order to keep ... So, when planning, we should propose an appropriate plan and that plan suits shareholders... It is because in last few years our development has been so quick, over 30% to 40% per year ... And, we are going ... likely ... to slow down in order to reinforce our personnel resources ... We are under such pressures ... and we cannot say differently ... we promise and to the end of
Furthermore, a CEO of a state corporation mentioned aspects firms commit to and how they deal with their commitments:

"CSR is that we have to comply with that commitment. For example, at sites, I commit on schedule, high quality, a competitive price, ensuring labour safety, environmental protection, right? Once we have committed, we have to use our resources to fulfil those commitments." (Manager E1, 2011, research interview)

In terms of prestige and reputation, three managers strongly affirmed one of the main responsibilities of business is “to build a prestige brand for the company” (Manager H2, 2011, research interview), or “to affirm our prestige ... even though ... it is an activity of branding” (Manager B1, 2011, research interview), or “to become a prestige contractor, not only in Vietnam but also in foreign markets in the near future” (Manager F1, 2011, research interview). In their explanations, their companies are always trying to do their jobs with the best quality to satisfy customers and to develop a good reputation based on the quality of their services and projects.

A Deputy General Director in a large contractor corporation expressed his understanding of responsibilities of businesses as keeping the firm’s prestige. In his view, a construction business must provide good service to customers and it can earn public respect on the basic of its construction quality. He explained his thinking:

"In my view, good service is that we serve customers well, we respect customers, we keep our word in business, ... If our services are not good, ..., it will ... Definitely, it will become known very quickly, and other companies will know as well. The more prestige the company has, the quicker and further its reputation goes." (Manager C1, 2011, research interview)

The numbers of senior and middle managers who conveyed their opinions that prestige and reputation are a firm’s responsibilities are eight and one, respectively. With regard to the issue of commitment, all interviewees are seniors. Perhaps senior managers are aware of the significance of why companies should make a commitment and achieve prestige and reputation in order to survive and develop in a construction market where the competition between companies is quite intense. Additionally, many foreign construction corporations have been participating in all areas of the construction industry, such as design and consulting, construction materials
manufacturing and execution. Therefore, managers’ awareness of prestige and reputation as responsibilities of business can be easily understood and appropriate to the business context of Vietnam.

This theme -prestige and reputation - cannot be classified into Carroll’s CSR pyramid. The reason is that, from managers’ points of view, companies do not limit their responsibilities to making profits, but also to create positive public perceptions of their construction quality. To have prestige and reputation, companies have to build up their capabilities gradually and these activities are also responsibilities of business.

4.6.3 Environment

Despite the construction sector’s impacts on the environment, most of the managers in this study did not mention or seemed unaware of the significance of the environmental issue. Only five respondents highlighted the environment as a responsibility that firms must shoulder.

Four of these five managers considered the environment as the second prioritized responsibility of business after fulfilling economic duties. They stated that construction organizations must be responsible for improving the environment, or at least doing no bad effects on the environment. A Director of a factory said about this issue and how it is conducted in his corporation:

CSR is … I think, any enterprise, when getting a certain achievement in an economic aspect, has to return to serve community by improving the environment. Regarding the environment, all of our factories have applied and performed environmental safety really well, and are certified by the department of environment … they come to the factories to check and confirm that all is OK. (Manager H2, 2011, research interview)

When answering the question what CSR is, a Deputy General Director of a contractor specializing in industrial projects expressed his concern about the environment as follows:

… The environment is a really concerning issue in Vietnam. In terms of environment, its influence … it is not a kind of influence that will go away … we talk commonly that in next few years, the temperature will increase less than one degree. For example, in NhaTrang, currently, it is 37 degrees and no one is harmed if it increase to 37.5 or 38 degrees … no one is harmed … There are many people thinking in that way. However, I have known that when the temperature increases, it will impact a lot. Therefore, my company
A project manager in a private contractor pointed the issue of the environment out as a responsibility and shared specific activities that his corporation was doing:

To the surrounding community where the project is located, we have the responsibility to do environmental sanitation. For example, a truck, before leaving the site, must be cleaned in order not to make dirt on the street. It makes the surrounding community feel secure because they see that we are executing the project without dust or waste. (Manager F1, 2011, research interview)

It is quite clear that although some managers are aware of the environment as a responsibility of construction firms, this awareness is still embryonic. Manager J2 – a Deputy General Director, who spoke at length about environment, didn’t mention anything in relating to strategic activities, such as execution, or alternate designs to protect the environment. This lack of environmental awareness may explain the situation of environmental pollution in Vietnam, which becomes more and more serious.

4.6.4 Responsibilities to stakeholders

The theme responsibilities to stakeholders emerged from the more general comments of managers about business’s obligations. In interviews, managers mentioned four duties influencing a wide range of stakeholders that firms should carry out. Those duties comprise of balancing benefits of stakeholders, no bad effects on society, improving awareness of society, and creating urban aesthetics.

The idea of balancing benefits of stakeholders is from two seniors. One a CEO and the other a Deputy General Director in a state corporation and joint stock company, respectively. Balancing benefits of stakeholders is far beyond legal and ethical responsibilities. This requires managers and business organizations do not only practice “fair, just or in keeping with the respect or protection of stakeholders’ moral rights” (Carroll 1991, p.41), but also harmonise stakeholders’ benefits with others. The CEO explained his perspective of benefits to different stakeholders as follows:

My business perspective is that what we do ... we do not run after profit-maximization, but we try to optimize the benefits for shareholders. We have to balance the benefits of shareholders, that of employees and that of the society. We must ensure the benefit is in harmony, not unbalancing any benefits. (Manager E1, 2011, research interview)
Meanwhile, the Deputy General Director expressed his thinking on how to manage benefit of shareholders and those of others:

*The business of a company is different ... it needs to be balanced between shareholders... Managing is how to balance between ... shareholders ...*  
(Manager C1, 2011, research interview)

*No bad effects on society* is the opinion of two middle managers from different contractors. One replied to the question *What do you think of CSR?* as follows:

*I think CSR is ... what we have done doesn’t have a bad influence on the external community, people, environment ... It is because, generally speaking ..., our work ... For example, our construction work influences society, the construction sector's success leads to society's development; if the execution of a project has a bad impact on community, the environment, or is of bad quality it will impact society ... Foreign owners come to Vietnam, they will have a poor evaluation of construction quality, then our society ... relating to workers’ salary, and also advertising our brand will be damaged...*  
(Manager C2, 2011, research interview)

Furthermore, another two managers also indicated the duty of companies in the construction sector is *creating urban aesthetics* because of the professional characteristics of construction organizations. A head of project department in a joint-stock corporation which was privatized at the end of 2005 explained this obligation as follows:

*... intangible effects ... When we construct houses, buildings or even roads; people ... can admire projects, such as the highest building in HoChiMinh City located in Ham Nghi street ... Of course, that building was executed by another construction company, not our company ... However it is a kind of benefit ...*  
(Manager B2, 2011, research interview)

Similar to *balancing benefits of stakeholders, no bad effects on society* and *creating urban aesthetics* are considered by managers not in the umbrella of four types of responsibilities. The former is mentioned when the interviewee take the roles of contractors into account of positioning the construction industry in the view of foreign investors. This issue will help to build up the position of the construction industry. The latter requires construction firms, especially design and consulting firms, to consider their projects in overall urban architecture. This point does not only limit responsibilities of firms to “produce goods and services that consumers needed and wanted” (Carroll 1991, p.41), but also harmonise their projects with other ones and with surrounding architecture and landscapes.
Lastly, according to a senior manager, an obligation that construction companies should shoulder is training the society in order to improve awareness of society.

CSR is ... simply we ... have to share ... first we have to earn for ourselves, then we share ... we have enough capability and power to share what we have with society, or we have been involved indirectly in training a better society ... It is to improve the awareness of the society ... (Manager D1, 2011, research interview)

In his long explanation, he proudly related the process that his corporation used to help change operational perspectives of many construction companies in Hanoi in terms of environmental sanitation and safety rules on sites. He said, those companies used to think such issues were only of concern in foreign companies, because “Foreign contractors have much money, so they can do. While we, local companies …” (Manager D1, 2011, research interview). More importantly, he also mentioned the issue of training construction workers’ awareness of safety. His opinion is that construction workers in Hanoi are aware of the importance of safety; they have refused to work for any companies who cannot guarantee safety-related issues and accepted work for his corporation despite lower salaries. Once again, this concept cannot be grouped into philanthropic responsibilities because companies do not have to “contribute their money, facilities, employee time to humanitarian programs or purposes” (Carroll 1991, p.42). In fact, this factor can be practiced through corporate operational processes.

Generally, the above responsibilities are from simple ones, such as no bad effects on society to more complicated ones, such as training society and improving its awareness of safety or environmental sanitation. Depending of their working experience and positions of responsibility, managers have different opinions of what construction companies should be responsible for.

4.6.5 National responsibilities

There was an obligation mentioned in an interview which cannot be classified in any of the types of responsibilities above. This idea is from an older General Director with the following saying:

Our responsibility, including that of business, is to protect our territory properly because that is a sensitive issue which is so spiritual to everyone. Whenever talking about that issue, anyone feels it spiritually. When China bullies us, we feel sad, even we cannot eat. Why are we bullied? And 18 wars
in the past ... it strongly influences Vietnamese people and hurts us. So, a first responsibility is to protect properly our territory. In the other words, it is to maintain the sustainability of the social structure... (Manager I1, 2011, research interview)

His discourse here is based on the conflict between Vietnam and China about territorial waters in the East Sea (or South China Sea). This executive is fifty six years old is the one who has the idea of developing a Vietnamese brand. Because he passed his youth in wars and he respects peace may explain his thinking. As he is a businessman now perhaps, those are reasons leading to his thinking about the responsibilities of business.

The five sections above are about various obligations that managers understand and think business organizations have to shoulder in operating. The obligations consist of four types of responsibilities identified in Carroll’s studies, Philanthropic, Ethical, Legal and Economic responsibilities, and one other kind of duty named Other types of responsibilities. From what managers describe and understand about CSR, the study consequently continued with an exploration of what they think of the necessity to perform CSR in business operations. The next section is to provide a depiction of their personal thinking about reasons leading firms to practice CSR.

4.7 Why should companies practice CSR?

Unlike the answers to the question What is CSR? which are fairly convergent, those to the questions Is CSR necessary in business environment? Or Why should companies practice CSR? are often quite divergent. There are fourteen different ideas which are grouped into five themes consisting of economic forces, leader personal issues, forces of market, forces of society and forces of supervisors.

These questions are to identify, in managers’ personal or individual thinking, whether practicing CSR is essential to doing business and what drives companies to practice CSR. The purpose is to let managers explain the major reasons (by their own understanding of actual business) which lead construction firms into adopting CSR in their business. Essentially, all managers affirm that CSR is really necessary in business. The responsibilities analysed in Section 4.2, 4.3, 4.4, 4.5 and 4.6 can for the most part support understanding drivers identified in this Section. Among these five identified themes, economic forces and market forces can be rooted in Economic Responsibilities which is analysed in Section 4.5. Similarly, forces from supervisors
are considered as a requirement from administration management, which can be categorised in Legal Responsibilities (Section 4.4). Likewise, the driver forces of society can be based on Ethical Responsibility (Section 4.3). Finally, leaders’ personal issues can be partly based on Philanthropic Responsibilities (Section 4.2), which explains how firms contribute to social development. The other part of leaders’ personal issues is rooted in managers’ own awareness or ability.

4.7.1 Economic forces

The most convergent ideas in this section are related to economic reasons. Eight managers stated their belief that business organizations should practice CSR because those activities will benefit companies in the long run, or help them to avoid going down in the market. Those reasons included sustainable development, avoiding going down or bankrupt, polishing the brand, and getting much benefit in the long run.

Sustainable development is mentioned by one middle manager and three CEOs. From their perspective, the reason CSR is necessary in the business environment is because practicing CSR activities will help companies strengthen their competitive advantages. A CEO of a contractor confirmed and explained the influence of practicing CSR on sustainable development. He said that:

> It is clear that if a company does not perform CSR activities well, that company cannot develop sustainably, or that company can “surf” to get one or two projects. They can do that, but if they want to develop sustainably, they must complete their responsibilities.

> A company needs a sustainable and long-term development, not to try to earn money as much as it can and not to know how the future is. Whatever you do must be based on your real abilities, attracting customers by quality and professionalism, not by being like a “fish in troubled waters”. That is sustainable development. (Manager B1, 2011, research interview)

Likewise, another Director of Construction Division in a large contractor asserted this point of view as follows:

> Obviously, CSR is necessary. I think, currently, our economy has been developing, enterprises cannot do business unfairly, but it requires a sustainable development. To develop sustainably, business must be responsible, they cannot look only at themselves. It is necessary, definitely.

> “Sustainable development” is not “short term”. It is in the long run, I think so … everlasting and better. It must be better, not worse.
Time! For example, a company develops in 20 years, or 100 years and it continues developing. What is the tool to develop sustainably? One of the tools that must be used is CSR to make society better, more sustainable. And it becomes an environment to develop more sustainably. (Manager D1, 2011, research interview)

Two middle managers, a Director of a state-subsidiary and a project manager of a contractor, believe that practicing CSR is an important way to help companies exist, or at least not go down. Therefore, avoiding going down or going bankrupt is a sub-theme generated to express those opinions. When asked, the project manager said:

_In the business environment? I think it is necessary. Why? First, Our Company’s existence is clear evidence to explain why it is necessary._ (Manager C2, 2011, research interview)

Or, the Director explained:

_“It is necessary. It is because … if doing such activities not well and thinking it is not necessary, the company will go down gradually, in terms of major relations with the community … everything is at stake …”_ (Manager A2, 2011, research interview)

_Building the brand up_ is an opinion of a middle manager in a state corporation. In her understanding, CSR activities are only conducted in foreign and large corporation who have strong financial capacity. Even though mentioning a general and hollow explanation of necessity of CSR in the business environment, she also showed her thoughts on why companies should perform CSR.

_“I think CSR is necessary, not only to polish the brand, but also … a company is a part of the society, and it must be responsible when existing in that society.”_ (Manager E2, 2011, research interview)

A Deputy General Director of a large contractor definitely expressed that, in his view, his company should practice CSR because of achieving benefits in the long run. Those benefits are confidence, brand and customers’ belief. However, he showed his hesitancy when answering whether CSR is necessary in the general business environment.

_It is based on a social theory or a mathematical theory … I am unsure. This development, if saying that it is not necessary, it is not right, but if saying that is necessary, it is not right too. The reason is that the development of this issue has followed that of the economy and of the society. When the society develops higher, there are, definitely, competitions. In that race, it will be new companies who adopt and employ it more and more. I mean that it is_
necessary, but not doing it without any conditions. It looks like a rule, such as the law of conservation and transformation of energy, it does not mean that we want it and we have with no conditions. (Manager C3, 2011, research interview)

In particular, when mentioning this issue in the construction industry, he unhappily stated that many companies consider it unnecessary.

“About your question, is it necessary in business environment? It depends on sectors, size of business ...; business will choose. Let me give you an example. In the construction industry, there are many companies that don’t think they need those issues. They don’t need them, or they don’t like them or they don’t recognize such issues.”(Manager C3, 2011, research interview)

To conclude, this section is to identify, in managers’ thinking and understanding, the factors which explain the relevance of performing CSR activities in the general business environment. Economic issues are obviously described as a force to be reckoned with and which play an important role in the sustainability and growth of business organizations. In other words, practicing CSR is the means of being success for business. Notwithstanding, there is also a hesitancy regarding applying CSR in practice because of differences in awareness of CSR of business organizations. Importantly, the market and the whole society have a significant impact on corporations.

4.7.2 Leaders' personal issues

Two managers, one is a CEO of a state corporation and the other is a director of a factory in a private corporation, gave voice to the reasons why companies should practice CSR. In these two corporations, in their personal view, practicing CSR depends entirely on top leader’s awareness of the importance of this issue. The Factory Director also mentioned leaders’ background:

*It depends on ... the leaders’ awareness. What their background was when ... in the past ... when they were still in poverty and they are now better ... that is important.*

*... It is their family background, social background and studying background ... all have formed leaders’ characteristics. I think those factors are very important. There is no common model for leaders about CSR or other aspects ... That is it is each person’s thinking ... as what I said. Actually, it is also their studying, and working process. (Manager H2, 2011, research interview)*
The CEO answered the question more simply by saying “Why? I don’t know. It is natural. It is because I like to do it. It is practiced freely” (Manager E1, 2011, research interview).

Meanwhile, a Deputy General Director of a private firm summarized and generalized the reasons for practicing CSR regularly, using the term, management method. In his explanation, practicing CSR is a means to express the ability of management, which depends much on leaders/owners’ reactions to CSR.

In my opinion, that is a level of management method. Whatever a manager has foreseen ahead, he/she will … You know, in management practices, leaders, strategic makers … if they think ok, they will do it. However, they think carefully whether those things benefit them, in a long run … in order to develop the company sustainably; if not, the company cannot survive. For example, if we don’t obey the laws, we cannot exist; we are not believed by our customers, employees quit their jobs … All are in a manager’s thinking. If we don’t have anything and no one knows us, it means … Such issues are ..., when a business flourishes, it should pay attention to a re-distribution relationship among stakeholders. For example, to customers, we need to offer discounts and promotions; to employees, we need to consider their salary, benefits… It cannot be accepted if owners keep the profit for themselves. That leader doesn’t have a vision, do you understand? If they behave in such way, they have something … That is a level of management method. (Manager H1, 2011, research interview)

Three managers expressed ideas relating to leaders’ personal issues. There appears to be a linkage between their education and understanding of the significance of practicing CSR because all three have master degrees majoring in business administration. Their higher education, which provides them with more knowledge of business and the roles of leaders in strategy making, may have led to what they highlighted about leaders’ awareness of CSR.

4.7.3 Market forces

The term market forces is generated to represent two senior managers’ opinions on customers’ requirements; and businesses’ need of customers and employees. These managers, one is the CEO of a private joint stock company and other is a Deputy General Director of a large private corporation, mentioned the pressures from customers and employees as the main reason to explain why companies need to practice CSR. As articulated clearly by the CEO:
As I told you, it is necessary because in the society, social components have influenced each other. A company is also a social component, so having a good influence on other components will positively affect its operation. What does a company, that wants to perform its purpose well, need to have? It needs customers, and employees. Having good customers and employees helps business fulfil its purposes. A good fulfilment can contribute to the society, complete tax duties to government. Then, to employees, the compensation can be better, they will identify with the company. Therefore, practicing CSR is necessary for such reasons. (Manager G2, 2011, research interview)

More specifically, the other senior manager illustrated with an example about labour safety and environment as owners’ requirements for contractors which want to get construction projects. It should be noted that certificates like ISO 9001, ISO 14000, or OHSAS are not compulsory in Vietnam and there are only some local contractors who get OHSAS certification (refer to Table 5.1 in section 5.3.1). These contractors are large and well-known in the South of Vietnam and they are usually main contractors in construction projects. This manager answered the question whether CSR necessary in business environment as following:

Let me give you evidence. OHSAS is the requirements relating to labour safety and environmental sanitation. Currently, there are some investors, abroad and now in Vietnam, who are requiring contractors performing their projects to follow OHSAS. For example, investors, such as Capital Land or someone else, want their contractors being responsible to construction workers, to equip them, to create appropriate working environment, to set up the working notices, to have a clean and safe environment, to consider the noise in sites...Those are practical examples. (Manager F2, 2011, research interview)

Requirements of customers and employees are significant and practical, so that construction companies, especially contractors, have to respond properly in order to exist in the market. These two senior managers are working in private firms which have very clear business directions, so that they quickly link all that their companies have been doing, including CSR activities to mentioned requirements. Therefore, all reasons leading to practicing CSR have been derived from meeting customer and employees’ requirements best and in advance.

4.7.4 Forces of society

More generally, managers also conveyed that forces driving firms to practice CSR do not come from any specific persons, but from the wider public. Two senior managers
and one middle manager mentioned this aspect, referred to as forces of society which consists of environmental changes, a large workforce employer, and more attention to CSR from the public.

The first opinion is about environment changes, which is strongly highlighted by a Deputy General Director of a contractor. This manager often mentioned environmental concerns when responding to interview questions. To answer the question “Why should companies practice CSR?”, he raised the reason of making companies care about the importance of environmental changes. In his opinion, environmental changes are affecting many aspects of social and business life and this leads companies to practice CSR.

Definitely! It is because ... actually ... in projects, we need to invest more to minimize influences ..., why should we do it? It should be, because there are many people not understanding that ... how much ice is thawing in a year ... or something. They may think, a little bit of thawed ice is not a problem, or the temperature increasing less than one degree is not a problem as well. However, actually, they don’t understand that such changes ... will influence each other, many factors influence each other. Therefore, it requires us to practice CSR... in terms of environment ... that is a requirement ... (Manager J2, 2011, research interview)

A CEO of a large state contractor raised the issue of workforce size by saying:

Yes, it is necessary. I think every enterprise needs CSR. In the industries employing a large workforce, such as textile, agriculture, furniture ... I realize that they have studied CSR. However, in the construction industry ... (Manager E1, 2011, research interview)

Likewise, a middle manager explained that companies should perform CSR:

I think it is necessary. Because ... Recently, people have mentioned more about CSR and paid more attention to CSR. (Manager E2, 2011, research interview)

The above mentioned issues may be considered from both macro-influence and micro-influence perspectives of business organizations. Macro-influence refers to influences from the macro (business) environment, such as geographic forces and social-cultural forces. Likewise, micro-influence refers to internal influences in the organization. However, opinions expressed by interviewees show that all three only acknowledged those issues’ micro-impacts on their firms. In other words, in their view, those forces requires companies to conduct CSR activities, otherwise they will face difficulties in their operations.
4.7.5 Forces of supervisors

Company supervisors are forces to be reckoned with in their companies’ practicing CSR. CSR activities consist of doing charity, appropriately compensating for employees, and paying tax. The managers who have thought of forces of supervisors are two middle managers; a Director of a state joint stock subsidiary and a Head of Economics and Technology Department of a private joint stock company. As explained by the Head of Department, what business organizations need to do is to satisfy their supervisors’ request and he explained as follows:

*Yes, of course, it is necessary as companies need to satisfy their supervisors’ requests. For example, economic responsibility must be performed, and then the company can give its employees an appropriate income. Regarding legal responsibilities, companies must complete the tax to government. If not … (Manager G1, 2011, research interview)*

More specifically, the Director of a subsidiary pointed out Ho Chi Minh city People committee as his company’s supervisor:

*Yes, it is necessary. It is because … if doing such activities not well and thinking it is not necessary, the company will go down gradually, in terms of major contracts, relations with community … everything is … it looks like to advertise the company to external partners. Each staff in the company must perform their job well, then disseminate that to society and community … We have to participate and contribute in building charitable houses, or activities asked from Ho Chi Minh City’s People Committee … (Manager A2, 2011, research interview)*

To sum up, managers in the study have varied thinking and understanding of reasons driving companies to practice CSR. Those various opinions aggregate in five groups, namely economic forces, leader personal issues, forces of market, forces of society and forces of supervisors. Most managers express proactive activities in that companies usually take part to respond to requests of employees, and customers. However, in some managers’ thinking, CSR activities are only to satisfy supervisors’ requirements; otherwise companies will face many operating difficulties.

4.8 Managers’ perceptions of stakeholders

The term stakeholders is explained in Carroll (1991, p.43) as, ‘intended to describe those groups or persons who have a stake, a claim, or an interest in the operations and decisions of the firm’. The main purpose of this section is to identify how far managers realize the impacts of construction companies’ business operations on
groups or persons as mentioned in Carroll (1991). Issues relating to stakeholders are examined in this section. The first is to identify who these stakeholders are, secondly what the priority in satisfying stakeholders is and, finally, whether stakeholders consider CSR performances as a factor in their relations with the company.

4.8.1 Who are construction companies’ stakeholders?

In his study, Carroll (1979) suggested nine types of stakeholders: owners, customers, employees, community, competitors, suppliers, social activist groups, public at large, and others. In the interviews, managers were only provided a short explanation about stakeholders as mentioned in Carroll (1991) and afterwards they were required to list all related groups or persons. According to managers of construction corporations, there are ten groups of stakeholders: customers or owners, employees and their families, communities and neighbouring communities, shareholders, local authorities, partners like suppliers, sub-contractors, competitors, management teams, end-users, associations, and universities. It needs to be clarified that, in the construction industry, customers are ones who spend money for construction projects and decide which contractor(s) is/are appropriate and capable to execute their projects; and they are also called as owners (of construction projects) or, sometimes, investors (in construction projects) by contractors. Customers and employees are two types of stakeholders acknowledged by almost all managers in the study. Conversely, universities, associations, executing groups and end-users are only recognized by some managers.

All managers mentioned employees and customers as important stakeholders of their company. A CEO highlighted the significant impact of employees in building brand as follows:

Oh, they are an important stakeholder as they are ones building the brand. The only thing I do is to negotiate and sign contracts, but they are the ones who communicate with customers. If they are well-paid, and with a good professionalism, they can serve customers well. (Manager I1, 2011, research interview)

A middle manager in a private corporation not only mentioned employees, but also their families as his corporation’s stakeholders as follows:

I think … they are all staffs, over 1,000 employees and their families … they are the over 3,000 issues I mentioned before. They are the ones having really close relations with the company. (Manager H2, 2011, research interview)
Similarly for customers, a young project manager expounded cardinal role of these stakeholders:

> Actually, from my point of view, the first significant stakeholder is our customers. At the beginning, they gave us a project to execute, and they knew how our company performed it, and then, the following projects they always give them to us. (Manager F1, 2011, research interview)

**Shareholders** and **communities/neighbouring communities** are perceived by a majority of respondents. However, there are some managers who are acknowledged *local government* and *business partners such as suppliers, sub-contractors, competitors* as their companies’ stakeholders. In particular, managers were of the opinion that communities and the public at large, whom they referred to as *communities and neighbouring communities*, may become potential customers of construction organizations. Therefore, construction companies care much about how their business activities’ influences these stakeholders. As explained by a Deputy General Director of a large contractor:

> Actually, even if running silently, our operations are observed by communities. They have observed actively or passively. To other contractors, they think that they perform silently, no one knows. To us, however, we think, people have observed anything we do. Because our projects are very large, they are emphasized ones, for instance. Or, in our operations process, we conduct ourselves logically. A normal person goes past the sites, maybe …… But the managers will have a different view … Someday you may be the manager in a large group. Of course, you don’t do anything relating to construction, but you are the one deciding the investment of the group. So, when you come to a city, you can see that contractor conducting a project and with the view of a manager at that level, you can assess how that contractor is. That is an impact. (Manager C3, 2011, research interview)

**Management team** and **end-users** are sometimes separated from employees and customers, respectively. **Management team** is mentioned as a stakeholder by two managers, a Deputy Director and a head of department, in two contractors. Similarly, **end-users** are also identified as a stakeholder of construction corporations, especially by contractors. In the construction industry, end-users are ones who buy apartments or offices from owners or investors. A young project manager expounded on who end-users are and how they affect construction companies:

> The definition of customer is too broad. It is because customers are investors, but they are end-users as well. For example, we sign a contract with A, an investor who is doing business. If so, A is our current customer.
However, when completing projects, residents of apartments or people working in those office buildings are our customers, because they use or consume our products. (Manager C2, 2011, research interview)

Besides the above stakeholders, there are two more stakeholders identified by a Deputy General Director of a private construction manufacturer; universities and associations. Through the interview, he mentioned many activities in which his corporation, he and a university in Ho Chi Minh city have cooperated. He illustrated by explaining why he agreed to be interviewed for this study why he couldn’t participate in the interview earlier:

Similarly, when you come here from your university, I have a responsibility to meet you. It was only because I was busy in last days, but I have to do. The reason is that it is normal; it is the way to express our responsibility to the society, business ethics. (Manager H1, 2011, research interview)

To sum up, from interviewees’ understanding, and compared with the suggestion of Carroll (1991), there are four new groups of stakeholders: universities, associations, end-users, and management team. These four groups of stakeholders have not been explicitly identified in the stakeholder/responsibility matrix of Carroll (1991). They should be taken to provide specific categories of stakeholders within his more generic classification of stakeholder groups.

Additionally, managers also noticed that families of employees should be considered as an important stakeholder because of their close link with employees. The reason that may be used to explain this point is that the construction industry in Vietnam is a sector which may affect, or be affected by, different external environments. For example, in southern Vietnam, Ho Chi Minh City University of Technology is the only state university which is very well-known for training construction engineers. It may lead universities to being a stakeholder of construction companies.

4.8.2 Priorities in satisfying stakeholders

According to Carroll (1991), the criteria for determining the importance of stakeholders are their legitimacy and their power. Managers have to face to a challenge in deciding which stakeholders’ demands need to be most prioritised and these two criteria will impact management decisions. Carroll (1991) stated that legitimacy (is justifiable rights to make a claim) and stakeholders’ power over management are considered as the most significant factors from a CSR perspective and from management efficiency perspective, respectively.
In this study, interviewees were not only asked to name all stakeholders, but also to point out what the priority is in satisfying their needs. Interview responses were grouped around five stakeholder categories.

Seven respondents focused on placing customers as their companies’ priority. An older senior highlighted:

> Obviously, first of all, you have to satisfy customers. They are the life of your business; therefore, they are most important. (Manager H1, 2011, research interview)

Likewise, a young project manager expounded more properly:

> Our priority is to satisfy customers … Customers is the first. It is because once customers …

> … The reason is, satisfying an owner … generally, there is a relation. When satisfying the owner by performing projects well, they appraise us highly; then to other projects, they will … it relates to the contractor. Having more projects leads our company to good conditions to pay for employees. (Manager C2, 2011, research interview)

The second group consisting of six managers concentrated their priority on balancing benefits of different stakeholders. Managers in this group expressed the significance of all stakeholders to companies. This perception is exemplified by a CEO as follows:

> In my opinion, there is no priority, all should move together. For example, if you care for your employees, but do not care for your consumers, how you can get projects for your employees to have an income … That is the reason to consider all such needs together. (Manager B1, 2011, research interview)

A third group of four managers focused on prioritizing shareholders, then employees when doing business. This idea is expressed by a CEO of a private joint stock company:

> There must be a priority. First, the business has to be effective, profitable; profit must be a priority. Second is my employees, then, customers, and then, other stakeholders. (Manager G2, 2011, research interview)

Fourthly, three managers set employees as a priority. A middle manager shared her thinking: “The most important thing is to serve the internal community, making employment …” (Manager E2, 2011, research interview). It is also explicated by a Deputy General Director:

> …till now, staffs are our priority …It is because current shareholders … It may be … they are our shareholder today, but tomorrow they sell our shares
... they cannot ..., right? Meanwhile, staffs are ones who makes assets ... those things ... therefore we need to be responsible to them. (Manager J2, 2011, research interview)

Lastly, one manager mentioned the idea of depending on the pressure from a particular stakeholder. He gave an example about his company as follows:

In my opinion, there is no priority. Actually ... it depends on case by case. For example, there is a case regarding to local government in a project of my company. There is an agricultural land and my company rents that land to set up the temporary barracks for workers. However, the local government asked us to move, they did not allow us to set up the barracks there ...

(Manager K2, 2011, research interview)

In general, any trends taking priority over others are based on managers’ thinking of the significance of stakeholders. It can be concluded from these managers’ opinions that they set the efficiency of their firms to set as the priority. Any stakeholders who have important influences or impacts on corporate operations will be prioritised. This point can be supported by the quotes of a Director of a subsidiary: “The company should satisfy customers first. It is because they are the ones giving the company capital and profit. If you cannot satisfy customers, you cannot satisfy your employees, because you don’t have money to pay them.” (Manager A2, 2011, research interview).

Compared with two criteria in Carroll (1991), managers prioritise stakeholders’ powers, such as they are life of your business, or staff are ones who make assets, or giving the company capital and profit, rather than on their legitimacy. What can be seen from the interviews is that the power of stakeholders comes from their influences on or capabilities of influencing profit making for corporations. There are also opinions of managers about interrelationships between satisfying stakeholders, so that business organizations need to harmonize all benefits with each other in order to ‘ensure that the firm’s primary stakeholders achieve their objectives while other stakeholders are also satisfied’(Carroll 1991, p.43).

4.8.3 What do stakeholders consider in dealing with construction companies?

After identifying stakeholders and their priority in satisfying stakeholders’ needs, managers were also asked for their view of what stakeholders consider in dealing with their companies. There are various reasons that managers identified but corporate capabilities and stakeholders’ issues describe all mentioned reasons.
The issues, which stakeholders definitely consider in working with any construction company relate to corporate capabilities, namely corporate brand and reputation, organizational context, and professional capability. In terms of corporate brand and reputation, a CEO of a state corporation, when asked whether his corporation’s CSR performance is considered by stakeholders, proudly expounded:

Yes, that is the important factor they use to set up the relations with us. For example, to investors, when they choose us to perform this project, they will choose us again to perform following projects as well. They even appoint us. You know, in the construction industry, we need to bid, but they have appointed us to perform their projects. It means, when they appoint us, they believe in us. It means they examine the projects we performed and they can see how we keep our commitments, how the company’s working environment is ...

... I think shareholders will consider our brand. So do employees. They pay attention to our brand, then they will look at our performance, working environment, business environment ... (Manager E1, 2011, research interview)

From the viewpoint of employees, managers expressed that they need an organizational context with a good working environment or flexible working policies. A Deputy General Director of a contractor explained how employees evaluate what the company has been doing for them:

Definitely! It is because, honestly ... For example, to employees, our salary offering to them is not as high as compared with the average of society. However, what makes them closely relate with us is ... First, we make a working context for them. Organizational context ... it is not right if we say it is perfect. However ... actually, in the organizational context, seniors instruct juniors. Why? It is not only because it is a good culture, but ... because of ... a mechanism, partly. Why? It is because if you want to be promoted, you have to train your subordinates, how you behave ... and how you train your subordinates so that they can do your jobs, then you can be promoted. (Manager J2, 2011, research interview)

A senior in one of the three biggest contractors in the south of Vietnam expanded on the factor of professional capability which is mainly focused on sub-contractors:

... to current and old partners, it is so simple. They have cooperated with D corporation for a very long time, when we were small, they were also small and when we grew up, and so did they. So, they understand us well, we are ready to share difficulties and successes with them. To new partners, it is these factors they use to consider what benefits they can get in cooperating with D corporation. Or, sometimes, they even need a background in
cooperating with D corporation for future tasks. There are many partners cooperating with D corporation to learn from it. They may not ... They may consider that they get lower profit, but they can get a good background, experiences in management, organizing ... and many have succeeded ...
(Manager D1, 2011, research interview)

Regarding stakeholders’ issues, factors consist of stakeholders’ awareness of CSR, and stakeholders’ philosophy of CSR. There are three managers who stated that stakeholders do not understand or even know what CSR is, so that CSR performance cannot be a factor to be considered. A Deputy Director seriously answered the asked questions:

Actually, in Vietnam, the awareness and understanding of CSR is now so weak. More clearly, it seems to be nothing. That fact hurts us! In the current context, it is extremely weak. That is my opinion. (Manager K1, 2011, research interview)

More clearly, a middle manager explained what drives employees, who need to find jobs, to apply to his company:

I think, they do not know in order to consider such factors. For example, employees come to our company simply because of jobs. (Manager G1, 2011, research interview)

Interestingly, the other two managers conveyed the issue of stakeholders’ philosophy of working manners, which leads them to select appropriate business partners. The term working manners is used to describe the ways or the styles of doing business. Therefore, it depends on certain stakeholders who have similar opinions with contractors. This idea is expressed by a Deputy General Director:

Contractors choose different philosophies ... but, investors can also develop in the same way, there are such cases. In the market, we have that working style; definitely, there are investors having such a style as well. Those investors, when selecting contractors, they will carefully select ... And we ... we have gone in such a way in this market and in this way, we can meet our appropriate partners. (Manager C3, 2011, research interview)

It can be concluded that a majority of managers perceived that stakeholders usually rely on corporate capabilities, such as brand and reputation, organizational working context, and professional capability, to cooperate with construction companies. Those capabilities have a good brand, corporate reputation, a good organizational context, and professional capabilities. Interviewees also thought issues relating to
stakeholders, such as their awareness or philosophy, also have a significant impact on their considerations.

Sub-sections 4.8.1, 4.8.2 and 4.8.3 provide an overview of managers’ perception of stakeholders. First, compared with the literature about stakeholders stated by Carroll (1991), it can be argued that, to the construction sector in Vietnam, there are four new groups of stakeholders: universities, associations, end-users, and executing groups. Then, the priority in satisfying stakeholders is mainly based on their power rather than their legitimacy. This issue is really important in explaining managers’ understanding of CSR. Similarly, factors that managers think stakeholders would consider in dealing with their companies are useful to explain their understanding of CSR.

4.9 Conclusion

The interview data presented in this chapter depicts a holistic understanding of how Vietnamese managers perceive CSR. From what they express as CSR, it can be classified into five themes, namely: philanthropic, ethical, legal, economic and other types of responsibilities. When compared with the literature, the generated and presented themes overlap with previous studies of CSR, especially with Carroll (1991); the commonalities in the scopes of economic, legal and philanthropic responsibilities. The commonalities are useful support for the literature. Importantly, however, there are also some differences from the literature. For instance, managers mentioned ethical responsibilities as required, not expected, as mentioned in Carroll and Shabana (2010). There are also some other responsibilities which have not been mentioned in previous studies (such as national responsibilities). In the interviews, some managers talked about different dimensions of responsibility, such as human resources, in particular, how employees should be treated, and company prestige and reputation. The discussion and explanation of these responsibilities is presented in Chapter 6.

The data analysis identifies the practical reasons driving business organizations to practice CSR, from managers’ personal points of view. Five forces are identified, including economic forces, leaders’ personal issues, market forces, forces of society, and forces of supervision. It is worthy to note that ‘economic forces’ is generated to explain managers’ perspectives on what pushes a corporation to practice CSR will help them to fulfil economic responsibilities. The data also helps to discover
managers’ perceptions of stakeholders by identifying all the stakeholders of their firms, and their priority in satisfying them. For the construction industry in Vietnam, new stakeholders are identified; universities, associations, end-users, and management teams.

This chapter provides an understanding of managers’ perceptions of CSR and those of stakeholders. The next chapter will investigate what the influences on their perceptions of CSR are. Especially, it also presents managers’ evaluations of how CSR is conducted in their companies.
CHAPTER 5 - INFLUENCES ON, DIFFERENCES IN PERCEPTIONS OF CSR AND CONDUCTING CSR IN CONSTRUCTION COMPANIES
5.1 Introduction

As noted previously, almost of the data in this study was collected by in-depth interviews with senior and middle managers and issues are extracted from thematic analysis of the interview transcripts. This data collection and analysis method is valuable for an exploration of managers’ thinking and it was particularly useful in this study to let interviewees freely talk about their personal experience, their education, working history, or any person affecting their thinking.

The previous chapter presented managers’ understandings of CSR and their perceptions of stakeholders. It also explained managers’ thinking about reasons leading business organizations to practice CSR. Subsequently, the purpose of Chapter 5 is to identify factors influencing managers’ perceptions of CSR. Those identified factors are important to this study in order to understand how managers’ perceptions of CSR are formed or influenced. The chapter also explores factors decisively affecting managers’ understanding of CSR. This helps in explaining their actual understanding and practice of CSR.

The chapter differentiates managers’ perceptions of CSR and of stakeholders. These differences are identified by types of companies, sub-sectors in the construction industry, ages and by work histories of participants.

Furthermore, one fundamental issue also raised in this chapter is how CSR is conducted in construction companies, based on the personal opinions and evaluations of interviewees. In those opinions, not only current motivations and obstacles to practicing CSR, but also actual implementation of CSR, such as roles of managers and methods to disseminate CSR in companies, are determined. This sub-section will provide an overview about actual roles of managers and management in practicing CSR in their companies. Respondents also mentioned common channels, which construction companies usually use to train and disseminate CSR to their employees. Last but not least, participants personally graded and evaluated their company’s CSR performance on a scale of 0-10.

5.2 Factors forming managers’ perceptions of CSR

Different from previous studies of CSR, one purposes of this study is to explore where managers’ perceptions of CSR come from. Through questions about their personal working and study experiences, factors having significant impacts on their
understanding of CSR are identified. The study not only identifies those factors, which consist of certain persons, and certain experiences, but also determines the strongest impacts on managers’ views of CSR. Consequently, interviewees talked about many factors influencing them. These can be grouped into four categories: education, working life, personal issues and other interactions.

5.2.1 Education

*Education* is used to describe interviewees’ studying process. To answer the question *where do your perceptions come from?*, eleven managers named education as the first factor forming and impacting on their understanding of CSR. All these managers are graduates of well-known universities in Vietnam, with eight construction engineers graduating from Ho Chi Minh City University of Technology, two architects graduating from Ho Chi Minh City University of Architecture and one bachelor from the Foreign Trade University. In particular, four of them received a masters degree in business administration. A head of department explained how his perception is formed:

> What I understand and perceive is from my process of studying in school, in university … (Manager B2, 2011, research interview)

Likewise, a Deputy General Director, who is a construction engineer and received an MBA certificate from a joint program between France and Vietnam, explained in more detail:

> I have perceived that it also is rooted in what I learnt about responsibilities of a business, business ethics is the responsibility of a business person towards the society … which I learnt from the university. (Manager H1, 2011, research interview)

Three senior managers strongly emphasized the importance of *reading books* to their perceptions of CSR. They mentioned reading books about management, business, construction, and the environment. Reading books, which may be referred to as *self-studying*, has gradually shaped and changed these managers’ attitudes and behaviours. A Deputy General Director of a contractor, who has cared much about the environment and is aware of the environment as a responsibility of business, not only stated reading as the strongest influence on his understanding of environment, but also on his attitudes to environment. This manager tried to express how his reading affects his understanding and behaviour.
Actually, the strongest impact is from my readings ... my understanding of environment is also from readings ... For example, even saying anything ... in terms of the environment, U.S. is following Europe, for instance. In terms of government, what policies should be applied ... how to put tax to ... the environment. Such issues make benefits for the environment. In terms of the environment, people say that it is not only ethics ... it cannot be only ethics ... therefore, it should use tax as a tool ... (Manager J2, 2011, research interview)

To conclude, it should be noted that interviewees in this study are well-educated and their study is an influence on how they perceive professional occupations and norms. Consequently, these factors are playing a significant role as background for their understanding of CSR.

5.2.2 Working life

The term *working life* is generated to represent factors relating to the working process of managers. There are four factors identified from interviews which have impacted managers’ understanding of CSR. Those factors are *working experience*, *direct supervisor*, *foreign contractors*, and *successful businesses*.

First, *working experience* is a term most-frequently mentioned by fourteen managers to describe factors impacting their awareness of CSR. Most of these managers expressed that they have many years working in the construction sector, and experience in different positions in their companies from lower positions to their current positions. A project manager of a contractor explained as follows:

*Generally speaking, to understand such issues of CSR, as I told you at the beginning, I had experience in all positions in the construction sector. Then, I clearly understand how the construction sector is, but at the same time I have increased my awareness of CSR ...* (Manager C2, 2011, research interview)

Similarly, a Deputy General Director explained in detail how his perception has been formed by explaining specific situations that he and other managers have to experience. In the construction industry, in order to be promoted a higher management position, a person has to have experience in all relevant lower positions. This helps managers who themselves have enough experience and understanding of a range of jobs and occupations in construction, perceive the difficulties o challenges faced by managers and their subordinates.
My perception? To perceive … I usually put myself in the other’s standpoint. For example, as a manager, in terms of behaviour … I put myself in my subordinates’ standpoint in order to know what they are thinking, what they want … The reason is, actually, … in Vietnam, mostly, any person being a manager has experience in all stages in the work… we cannot hire any persons … It is not like the CEO in other sectors … such as consumer products … maybe, that person doesn’t know much … he/she can be CEO of Coca Cola or others. But, what I know, in the construction industry is not … you must be experienced in the different positions … (Manager J2, 2011, research interview)

A Deputy General Director in a private corporation who used to work for a state-owned enterprise, pointed out that working in a state enterprise gave him much experience in tackling current duties. He mentioned aspects he used to be in charge in his previous employment – a state-owned company; and such working experiences provided him a understanding of work and CSR as well:

Of most importance is that I used to work for a state-owned company and I came here as an employee, a hired employee, not an owner. Linking hired employees and the owner is my responsibility and which I had learnt much from my previous company. I was responsible for human resources, finance, technical activities, environment and other issues … therefore, being an intermediary to link those two sides is interesting and I like to satisfy both. (Manager H1, 2011, research interview)

Secondly, direct supervisor is also an important factor influencing and shaping five managers’ understanding of CSR. These five participants mentioned this factor as having the strongest impact on their perceptions. A Project Manager of a large contractor affirmed the impact his direct supervisor had on him as the strongest impact:

The strongest impacts are … in general, initial direction is very important. The one who directs me in my positions is Mr.Binh (Deputy General Director). And in the execution process, I mean in the period of time I have followed him, his experience, and his working style influence me greatly. Broadly, he has taught me a lot. (Manager C2, 2011, research interview)

In more detail, a head of state contractor told her impressions of all direct managers, whom she has had opportunities to work with. To answer the question Are there any experiences or persons having strongest impacts on your understanding of CSR?, she explained:

Strongest? Many, especially the persons … Luckily, in every company, I had the chance to work directly with the top managers. Then, their
characteristics, and culture that they build up in their company influence me a lot. For example, in Toan, my company, the Director is a woman – Ms. Thuy, but what I learnt from her is being brave, strong and determined, and never accept or do wrong things to cheat customers. I know, for example, a stainless steel tub … when customers buy one, they do not know how thick it is. The company produces two types, thick and thin, with different colours. At that time, the thick products were out of stock and some sales agents suggested that we “paint the thin product with the colour of the thick ones. Only the company and agents know it”. She didn’t accept that. It is a clear example relating to business ethics. The second leader is Mr. Vu, of the Trung Nguyen café. He never gets angry with his subordinates, he never shouts and he helps his employees to improve their abilities. Or Mr. Cuong – our General Director, I have learnt from him … the way to treat employees, giving chances to mistaken people, behaviours and attitudes in serving customers… (Manager E2, 2011, research interview)

It can be seen from this manager’s opinion that specific persons – who used to be her direct supervisors and all of whom are in top management positions – have strong effects on her perceptions by their practical activities in business. Their characteristics, their leadership, their behaviours and attitudes strongly affect her and her perceptions.

Next, foreign contractors are listed as an influential factor in shaping and changing perceptions of four managers who are in senior management positions and whose companies have been sub-contractors in construction projects. Foreign contractors are considered to have the strongest impact on managers’ understanding as well, especially in their working methods and behaviours toward local contractors. Some typical foreign contractors are from Japan, Australia, Korea, and France. A Director of a large joint stock corporation, articulated about periods of time working with foreign partners and how it influenced him:

*Yes, it has a strong influence on me. Actually, our corporation succeeds because of working with foreign partners at the beginning … we learnt much from them … about management … the way to think … in relation to management in the construction sector … in techniques … especially in management style … Particularly, Western partners helped us a lot … they come to Vietnam and before leaving they also want to help local contractors … As they are owners, project management consultants … they sincerely help contractors, they teach us …* (Manager D1, 2011, research interview)

To the question about the strongest impact, a Deputy Director didn’t directly answer but, instead, he explained how his viewpoints have been changed:
We need to change the viewpoints. When I worked with foreign companies, I realized that their methods are logical and scientific. They make the plan in advance about how to perform the sub-plans and so on. For us, our methods ... we do not have that skills. And I felt ashamed, and I had to try to learn from them. From that learning, my perception has been improved and then the approach I use to judge things is different. In general, I have changed my behaviours... (Manager K1, 2011, research interview)

The last factor in this group is successful business. There are two senior managers, one CEO of a state-joint-stock company and one Deputy General Director of a private corporation, who said that they have gradually learnt about CSR through cooperating with or studying good business organizations. The CEO conveyed this point by giving an example of his company’s cooperation:

... after each project, I can understand and learn different aspects of CSR. For example, by cooperating with other successful companies such as COTECONS, or foreign companies, I can learn their working process or professionalism, or behaviours ... (Manager B1, 2011, research interview)

The Deputy General Director didn’t talk about any impacts from his organization’s cooperation with successful companies. However, he found those companies on the news and tried to learn from them. This has contributed to his understanding.

I have read news frequently. From my reading, I have analysed to consider what is wrong, what is right, which business is good, which business is bad. Any good business is praised and I learn from them. Just an effort! Learning in that way has formed a living standard, a management standard, a management style, norms, codes of conduct ... (Manager H1, 2011, research interview)

To sum up, there are some significant points that should be noted in this section. First, in the construction sector, to be middle managers, and especially for some senior management positions, managers have to experience all lower jobs in order to fully understand the sector. Participants’ statements suggest that it is only with such experiences that managers can properly fulfil their jobs, clearly understand their subordinates and sufficiently understand the responsibilities that business organizations must shoulder. Secondly, compared with working experiences mentioned by thirteen managers, direct supervisor was only suggested as a factor by five participants. However, for those five, direct supervisor is considered to have the strongest impact on their perceptions. Lastly, four senior managers affirmed that working with foreign partners gives them many valuable lessons which have a pivotal influence on their thinking, although the market in the construction sector with many
foreign competitors is very intense. In particular, working with foreign partners is also stated as the strongest effect on their understanding of CSR.

5.2.3 Personal issues

Besides being impacted by interacting with external contexts, managers are also affected by factors deriving from ‘personal issues’. Factors belonging to this group consist of family, personal experiences, religion and politics, and history.

First, there are two managers whose perceptions are influenced by their families. Therefore, family is generated to stand for parents, relatives, and relationships with family. This was mentioned by two managers, one a CEO and one a Head of department, in the interviews. According to participants, they were brought up by their parents to be aware of what they must do in their families. As a result they understand they also have similar duties when they are involved in business organizations. This idea is articulated as follows:

My family, my parents, my brothers, my sisters influence my perceptions. For example, my parents teach me to be responsible in the family … then when I go to work, contact with the others, with the society, I also realize that I have the same responsibilities.

... The essential influence is from my parents ... family is so important to perception. (Manager G1, 2011, research interview)

Likewise, the CEO also affirmed this point as a determinant to his perception:

More exactly, I am mostly influenced by the responsibilities in family. It is because there are many people in the family, I can realize that clearly. Family members have to be responsible, perform his/her duties in family, and be aware of how to have a better family. So, I think, my perception is mainly derived from my family rather than other factors. Especially, it is my parents who influence me a lot. (Manager G2, 2011, research interview)

Secondly, the term personal experiences represents ideas of three managers who explained that factors shaping their perceptions are their own experiences in working and in life. A director of a subsidiary in a private corporation simply answered the question where do your perceptions come from? with a short statement “Living gives me such understanding. You live, you experience and you know” (Manager H2, 2011, research interview). A Deputy General Director of a contractor firm explained that, to be in his position, he has to have wide experience in working and his experience in
management helps him understand CSR as he does. The following expresses his point:

Actually ... overall ... it is from the view of a manager, it is ... It needs time and experience to be a manager ... For example, I am a manager ... there are many levels in management ... For example, front-line level manages around 5-10 staffs, middle level manages of tens of staffs, and higher level manages hundreds of staffs, ... it is normal, a CEO can manage thousands staffs. If so, you have ... If you are good enough to be a CEO to manage thousands people who are divided in departments ... , you have to have the appropriate capabilities to manage ... Experiences of a manager will shape your perceptions ... (Manager C1, 2011, research interview)

Next, religion and politics are factors affecting an executive’s perception of CSR.

This executive is the CEO of a state corporation, who is a member of the Communist Party and whose religion is Buddhism. His view is as follows:

... Ho Chi Minh’s philosophy or that of Communism is to train people about ethics and for philanthropy much, very much. The main thought of Ho Chi Minh that I have mostly favoured is that, and the Buddhism religion ... the nature is those things, and Buddhism prayer of the philosophy of Buddhism ... also direct people to the good ...

Yes, all affect me greatly. For example, it makes me lower ‘lust – hatred – delusion’, bad opinions; I have more thought for others, the thought for myself has become smaller, I have reduced what ... Uncle Ho called ‘reducing personalism’, right? Actually, it cannot be learnt in one day, it requires people to learn themselves, to train themselves, and perceive. Buddhism has a term “examine yourself”, it means you examine yourself to realize what are not good to ...

... All influence me. (Manager E1, 2011, research interview)

There is a point which should be made clear; that leaders of state organizations must be members of the Party and need to attend the course called Advanced Politics. In this course, Marxism, Ho Chi Minh’s thought, Communism, and the Communist Party are explained in detail so that leaders can manage and control their organizations successfully, and properly meet planning requirements of the government. In addition, the CEO is also a pious person and he can clearly explain the history and philosophy of Buddhism to the researcher. That information explains why the factor of religion and politics affect his perception of CSR.

Lastly, history is an influential factor for an older CEO of a state-joint-stock corporation. He expounded on historic past to answer the question where do your
perceptions come from? and also highlighted it as a decisive factor influencing his understanding of CSR.

... when I studied, the government provided for me, the Communist party provided for me. If not, how could a poor farmer family provide for a child studying in Poland in 6 years. While I was in adequate conditions and sent to the best universities ... it was a really big opportunity ..., my friends lost their lives here ... their blood is not dry, you know. They are in the same generation with mine, they went to local universities and ... we gathered for a terribly serious war ... not balancing ... Thousands of people lost their lives. I was so lucky! I went to the best university; in a very good condition ... I was so lucky! Once being so lucky, I have to give back. From that, I have to think more deeply ... Knowledge is only a part. When I studied, I had footwear, clothing ... while others went to battle ... In the years of the 1970s ... 3 million Vietnamese lost their blood for that war ... And I acknowledge that I have to perform my job with whole of my heart. I do it for myself and for giving back ... Facing difficulties, I have to ... those difficulties cannot be compared with ones losing their lives ... (Manager H1, 2011, research interview)

To conclude, the influential factors discussed above relate to personal issues, including family, experiences, religion and politics, and history. Of these factors, family and historic past are considered as determinants. One more point that should be noted is that in state, or state-joint-stock companies, leaders are usually members of the Communist Party. Consequently, their understanding and thinking are formed and impacted on by the Party.

5.2.4 Other interactions

Besides the above mentioned categories of influential factors, there are other impacts on managers’ perceptions of CSR, such as social relationships, information from the media and professional seminars. These impacts are not direct or intense, but act gradually on managers’ perceptions. In terms of social relationships, three managers mentioned their friends, who they have known from the university, or someone who they have met in their work (but not working partners). A Director talked about his friend, who used to study with him in the university and who then become his lecturer in his masters program:

I have friends and they impact me as well and my relatives ... Then, my teachers, such as Dr.Thi, he has had much influence on me. Dr.Thi is a very interesting person. He never says long passages, just a summary. Importantly, he summarises what people have to think for a long time in 1 or
2 sentences only. However, those 1 or 2 sentences need to be noted. I am lucky when having such friends … The way he interacts with students makes me think … He is my friend and my teacher as well … He used to be my friend in university, and then, he became my teacher. It is so difficult to say! Such persons have formed my thinking, my understanding. (Manager H2, 2011, research interview)

Information from the media and professional seminars is the last factor identified as affecting managers’ perceptions of CSR. This point is supported by a senior manager of a large corporation:

Second, I also … love reading books, newspapers, referring to some … information on the Internet, especially magazines relating to business, attending seminars on construction issues. Currently, you know, there is a certificate called the GREEN certificate. In India, there are sets of green standards in construction, such as architectural design appropriate with Green standards, structural design with Green standards, building management with Green standards … In Vietnam, there is an organization and they also go for marketing, they come to construction companies … to send advertisement papers, magazines, to call companies to participate in Green organizations, attending seminars … to improve … GREEN is also too overall … environment and so on … And I study myself gradually … (Manager D1, 2011, research interview)

Generally, these interactions play indirect roles in shaping and influencing managers’ understanding of CSR. More precisely, they play a role in channelling information about CSR for managers. Even though impacts of those factors are gradual or indirect, the information is useful (e.g. information about environment) for managers understanding of CSR.

5.2.5 Conclusion

Reasons used to explain managers’ perceptions of CSR are grouped into four categories: education, working life, personal issues and other interactions. On the one hand, there are factors mentioned by the majority of participants, such as education and work experience. The point employed to explain this may be that interviewees are all graduates; four of them holding masters degrees. Furthermore, they have experienced lower level positions in the construction industry. On the other hand, there are also factors mentioned by a few managers, such as historic past or religion and politics. Interviewees also explained why they are affected by these factors.
Significantly, managers pointed out four factors having the strongest influence on their understanding of CSR. Two of those factors, direct leaders and foreign contractors, belong to the group of working life. Two remaining influences, history and family, are in the group of personal issues. Even so, approximately one in three interviewees affirmed that there is no one factor which has an influence on their perceptions, but all mentioned factors step by step affecting their understanding.

5.3 Differences in managers’ perceptions of CSR

The third research question is to determine key differences in managers’ perceptions of CSR and to explain those differences. In previous sections, the presented data suggested that participants’ understanding of CSR is quite diverse. This section will present four main differences in managers’ perceptions of CSR. Firstly, there are differences in perceptions of CSR and stakeholders between managers who are working in private corporations and those in state corporations. Secondly, managers’ perceptions are analysed by sectors. Thirdly, differences are identified in managers who are over fifty five years old and those who are younger. Finally, there are some differences in perceptions of managers who have participated in projects in which Vietnamese construction companies were sub-contractors for foreign main contractors, and of those who worked in foreign companies.

5.3.1 Differences in perceptions of managers working in Private and State corporations

As stated in the methodology chapter, the sample includes eleven companies in the construction sector. These companies are design and consultancy companies, contractors, and manufacturers. In terms of ownership, there were one state-owned, two private, four state-joint-stock and four private-joint-stock corporations (see Table 5.1). These four types of ownership are classified as either Private Corporations or State Corporations. The reason of this classification is that governmental shares in state-joint-stock firms, are dominant and government doesn’t involve in private-joint-stock companies. This section presents differences in CSR and stakeholder perceptions between managers who are working in Private Corporations and those in State Corporations.

There are three key differences identified when reviewing and examining managers’ understanding of CSR and of stakeholders. The first two differences are about
perceptions of CSR, and the other is about stakeholders. The differences are presented in Table 5.2. In this table, the issues about which managers’ perceptions are different are in the first column. The number of managers who raised their opinions on each issue is presented in the second column. The numbers of managers in private and state corporations are introduced in the third and fourth columns, respectively.
Table 5.1: General information of State and Private Corporations

<table>
<thead>
<tr>
<th>Co.</th>
<th>Ownership</th>
<th>Main activities</th>
<th>No. of employees</th>
<th>Website</th>
<th>Mission - Vision</th>
<th>Slogan</th>
<th>ISO 9001</th>
<th>OHSAS</th>
<th>ISO 14000</th>
</tr>
</thead>
<tbody>
<tr>
<td>D</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>&gt;4,000</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>2008</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Private</td>
<td>Contractor</td>
<td>3,000</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>2008</td>
<td>18001:2007</td>
<td>14001:2004</td>
</tr>
<tr>
<td>G</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Private</td>
<td>Manufacturer</td>
<td>&gt;1,000</td>
<td>Y</td>
<td></td>
<td>Y</td>
<td>2000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>213</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>150</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td>2000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>State-owned</td>
<td>Contractor</td>
<td>1,500</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>2008</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>&gt;500</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>K</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>94</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5.2: Differences in managers’ perceptions by ownership

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Total managers</th>
<th>Private Corporations</th>
<th>State Corporations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical responsibilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Organizational ethical issues</td>
<td>8</td>
<td>7</td>
<td>1 (MBA)</td>
</tr>
<tr>
<td>• Personal ethical awareness</td>
<td>7</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Other responsibilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Environment</td>
<td>4</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>• Prestige and reputation</td>
<td>9</td>
<td>7</td>
<td>2 (MBA)</td>
</tr>
<tr>
<td>Who are stakeholders?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• End-users</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>• Competitors</td>
<td>3</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

The first difference (ethical responsibilities) is quite clear to recognize. As presented in Chapter 4, ethical responsibilities are comprised of organizational ethical issues, and personal ethical awareness. Most of the opinions expressed are of managers in private corporations, and there is only one CEO of a state corporation, who had received an MBA from a joint program. For those managers, perceptions of ethical responsibilities relate closely to issues that need to be solved by organizations, such as business ethics, spiritual responsibilities, or doing more than required. However, whether or not those issues are planned and implemented in business practice depends very much on leaders or top managers of firms. It can be argued that in private corporations, managers are inclined to perceive that performing ethical activities or obligations are organizational issues which are decided by leaders.

On the other hand, most managers who mentioned ethical responsibilities as issues of individual ethics, such as professional conscience, are from state corporations. In their view, ethical issues originate from the awareness of each employee rather than from the organization. The argument used to support this view is that ethical activities are enacted while each individual is performing his/her professional job. They strongly supported their argument by explaining how employees, like engineers or architects, expressed themselves ethically in designing, consulting or executing tasks.

The second difference in perceptions of CSR between managers in private and state corporations is about the environment, and prestige and reputation, which are categorized into Other responsibilities. In terms of environment, as presented in
section 4.6.3, there are four managers stating it as the second responsibility of business towards society. These managers are from private corporations. The issues noted about the environment are from daily activities, such as environmental sanitation on construction sites, to general company orientation, such as participating in a green association or receiving an environmental certificate.

Slightly different from perceptions of the environment, which are perceived only by managers in private corporations, understanding of prestige and reputation is mentioned not only by managers in private firms, but also by two CEOs of state enterprises. These two CEOs have MBA degrees from joint programs. The explanation used by those managers is the need to make commitments to customers, employees, and partners in order to build up their companies’ prestige and reputation in the strongly competitive market.

The last difference in managers’ perceptions is about understanding of stakeholders. To the question *Who are stakeholders of a construction company?* the end-user is identified as a stakeholder by two managers from different private contractors. They explained that end-users have reasonable claims on construction companies, especially to the quality of construction projects. Likewise, competitors are also mentioned by three managers in private contracting companies. In interviews, several managers in private corporations mentioned the intense competition in the construction market. However, only three of them considered competitors as a stakeholder of construction companies.

To sum up, an examination of differences in managers’ perceptions of CSR and of stakeholders showed three main issues (as listed above). There are two points that should be noted. First, the three issues mentioned by managers in private corporations but not by managers in state corporations, are environment, end-users, and competitors. Perhaps, an explanation is that state companies are supported by parent state corporations in contracts so that they do not have such pressure from competition. Secondly, the other two issues, organizational ethical issues, and prestige and reputation, are raised by managers in private companies and two CEOs in state corporations. However, these two CEOs are the ones who have MBAs. One reason may be that their education has influenced their understanding of CSR.
5.3.2 Differences by sector

As shown in Table 5.1 above, the sample is comprised of eleven companies, in which there is one corporation specializing in manufacturing, two firms in designing and consulting, and eight contractor enterprises. This section presents differences in managers’ perceptions of CSR by sector (see Table 5.3). The main difference identified is in understanding of environment of managers working in two design and consulting companies and others in construction manufacturers and contractors.

Table 5.3: Differences in managers’ perceptions by sector

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Perceptions of managers in Design and Consulting Companies</th>
<th>Perceptions of managers in contractors and manufacturers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other responsibilities:</td>
<td>All managers mentioned environment, but:</td>
<td>Either mentioning environment as a responsibility or not mentioning anything about the environment</td>
</tr>
<tr>
<td>• Environment</td>
<td>- Indoor jobs, so of no harm to the environment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Environmental responsibility conducted by giving advice to owner about waste management system</td>
<td></td>
</tr>
</tbody>
</table>

Managers in contracting and manufacturing firms either perceived the environment as a responsibility of business, or they did not mention anything to do with environment. Especially, as presented in section 4.6.3, contractors are seen as a major source polluting the environment. Therefore, they need to have solutions for issues relating to the environment on construction sites.

Meanwhile, all managers, two CEOs and one director of a subsidiary, in two design and consulting companies, mentioned the environment when answering the question What is CSR. However, the environmental responsibility of a business is not necessarily perceived and understood clearly by those respondents, or are confused with professional tasks. These managers expressed their responsibilities for the environment by performing the work of a consultancy and by giving advice to owners about obeying rules when drawing waste management systems. In their view, their specialization and professional work is conducted indoors so they do not do any harm to the environment. A CEO clearly stated:

‘To the environment … I do not need a large land. I do not need any natural resources. I do not consume any materials, such as papers, gasoline, electricity … I do not do any harm to the environment’

(Manager II, 2011, research interview)
Likewise, another CEO stated that her company’s responsibility is to give advice to owners to obey rules about waste management.

‘In terms of the environment, according our drawings, all requirements, such as waste management or …, all requirements are designed properly, such as fire management, waste management … I think, when producing a product, we have to give owners our advice … to oblige them to follow those requirements.’ (Manager A1, 2011, research interview)

Overall, managers in design and consulting companies appeared to draw upon their professional characteristics to identify responsibilities of business towards the environment. What this means is that they believe that environmental responsibility falls upon owners and contractors, rather than upon them. This lack of environmental awareness and perceived fragmentation of responsibility is useful to explain the environment pollution in Vietnam.

5.3.3 Differences in perceptions by age

This section discusses differences in managers’ perceptions of CSR according to age. The differences are identified in CSR perceptions of managers who are over fifty five and of managers in other age ranges. As presented in Table 5.4, the age of interviewees is classified into three ranges, namely 30-40, 40-50 and over 55. There is no manager in the sample who is over fifty and under fifty five.

There are two differences identified in perceptions of managers in the ‘over 55’ range compared with those in other ranges (see Table 5.4). First, all five managers highlighted the importance of obeying laws strictly. According to them, obeying laws strictly means that CSR is practiced. A female CEO, who was born in 1956, asserted this point when answering what CSR is:

“… when producing a product, we have to give owners our advice … to force them to follow those requirements …and, when we are self-confident that we obey exactly rules and regulations…” (Manager A1, 2011, research interview)

Similarly, a middle manager, who was born in 1956, highlighted the importance of obeying laws and he also stated that construction firms have no right to do wrongly by or disobey the laws.
“Our jobs … it seems … legal requirements or governmental standards … we don’t have the right to do wrong with governmental requirements. We may adopt American standards, or British or Japanese standards … but it must ensure strictly following Vietnamese standards” (Manager A2, 2011, research interview)

In particular, two of them have a strong belief in laws and Communist legislation. One of them, a Deputy General Director in his company, explained why CSR is obeying laws and expressed his belief in Communist legislation as follows:

“The only thing is that we obey the laws and then, it automatically fits in CSR … When they propose such laws, they want to direct businesses to social duties, right? Hence, in the current economic context, you have to meet all legal requirements strictly. The communist legislation specially protects employees, environment, and their society. It is a regime! Therefore, when you obey the laws, it means you do CSR … Hence, correct CSR practice is … Since the laws, especially communist legislation, force businesses to follow … to protect the regime and the society” (Manager H1, 2011, research interview)

Table 5.4: Demographic information of respondents

<table>
<thead>
<tr>
<th>Manager</th>
<th>Position</th>
<th>Age range</th>
<th>Gender</th>
<th>Member of VCP*</th>
<th>Highest Degree</th>
<th>Worked in projects with foreign firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>CEO</td>
<td>Over 55</td>
<td>Female</td>
<td>Y</td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>A2</td>
<td>Head of subsidiary</td>
<td>Over 55</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>B1</td>
<td>CEO</td>
<td>30-40</td>
<td>Male</td>
<td>Y</td>
<td>MBA</td>
<td></td>
</tr>
<tr>
<td>B2</td>
<td>Head of project department</td>
<td>30-40</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>C1</td>
<td>Deputy General Director</td>
<td>40-50</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>C2</td>
<td>Project manager</td>
<td>30-40</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>C3</td>
<td>Deputy General Director</td>
<td>40-50</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>D1</td>
<td>Director</td>
<td>30-40</td>
<td>Male</td>
<td>MBA</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>E1</td>
<td>CEO</td>
<td>40-50</td>
<td>Male</td>
<td>Y</td>
<td>MBA</td>
<td></td>
</tr>
<tr>
<td>E2</td>
<td>Head of HR department</td>
<td>30-40</td>
<td>Female</td>
<td>Bachelor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F1</td>
<td>Project manager</td>
<td>30-40</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>F2</td>
<td>Deputy General Director</td>
<td>30-40</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>G1</td>
<td>Head of Project Department</td>
<td>30-40</td>
<td>Male</td>
<td>Bachelor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G2</td>
<td>CEO</td>
<td>30-40</td>
<td>Male</td>
<td>Bachelor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1</td>
<td>Deputy General Director</td>
<td>Over 55</td>
<td>Male</td>
<td>Y</td>
<td>MBA</td>
<td></td>
</tr>
<tr>
<td>H2</td>
<td>Head of subsidiary</td>
<td>Over 55</td>
<td>Male</td>
<td>Y</td>
<td>MBA</td>
<td></td>
</tr>
</tbody>
</table>
Second, one CEO mentioned national responsibility, which was presented in Chapter 4 (Section 4.6.5), when expressing what he understands of CSR. In particular, he expressed the significance of business involvement in protecting national territory and also highlighted it as a responsibility of business towards society. In his view, such responsibility must be fulfilled in order to do business successfully. It should be noted that his opinion is that the conflict between Vietnam and China in the East Sea (or South China Sea) has been occurring and the Vietnamese government has not found solutions to solve these conflicts.

In brief, there are some reasons to classify the range ‘over 55’. First, five managers in the range of ‘over 55’ are ones who spent their youth in during the Vietnam - U.S. war. They remember the difficulties which they and the nation had to face at that time. Especially, two of them were sent to study overseas by the Vietnamese government, even though the country was in great difficulty. Secondly, they all became members of Vietnamese Communist Party (VCP) when they were very young. So, they are people who had the opportunities to frequently receive education from the VCP. It can be argued that the influence of the war and the training by the VCP plays an important role in determining the differences in their perceptions of CSR.

Table 5.5: Differences in perceptions of manager who are over 55

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Perceptions of managers who are over 55</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal responsibilities</td>
<td>- Obeying laws strictly means CSR is practiced</td>
</tr>
<tr>
<td></td>
<td>- Belief in Communist legislation</td>
</tr>
<tr>
<td>National responsibility</td>
<td>- One type of responsibility of business towards society</td>
</tr>
</tbody>
</table>

VCP*: Vietnamese Communist Party
5.3.4 Differences in perceptions of managers who have worked in projects with foreign firms

This section presents perceptions of CSR and of stakeholders by managers who have participated as site engineers or site managers in those Vietnamese construction companies where sub-contractors and foreign companies were the main contractors. These managers are hereafter referred to as sub-contractor managers. From Renovation (Đổi-Mới) reforms in 1986 to 2000, no local construction company was a main-contractor. Some were only sub-contractors for foreign contractors. There are seven managers who used to work in such projects (see Table 5.4). This section discusses three points about those managers’ perceptions of CSR and of stakeholders (see Table 5.6).

The major difference in sub-contractor managers’ perceptions of CSR is that they mentioned corporate culture in expressing how they understand CSR. In their explanation, CSR must be rooted in corporate culture which is disseminated to all employees and which is part of the orientation and training of new employees. In particular, understanding of CSR is explained in simple ways, such as corporate behaviour, or corporate culture. A Deputy General Director stated “it is available in Company D’s culture” (Manager D1, 2011, research interview). Similarly, a project manager affirmed:

*Company F seems to be my family. A family having its norms, such as ethics, responsibilities, working with heart and virtue can make members being more responsible. For example, to Company F, I think of it as my family, and I am a member of Company F. So I have to … Those responsibilities are my corporate culture.* (Manager F1, 2011, research interview)

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Sub-contractor managers’ perceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR in:</td>
<td>Ethical responsibilities are rooted in corporate culture, and Behaved through corporate behaviours</td>
</tr>
<tr>
<td>-Ethical responsibilities</td>
<td>The importance of business ethics is highlighted as standard.</td>
</tr>
<tr>
<td>-Business ethics or doing business transparently</td>
<td>Influences of construction sites on neighbouring communities</td>
</tr>
<tr>
<td>Stakeholders</td>
<td></td>
</tr>
</tbody>
</table>
One more difference in perceptions of CSR of sub-contractor managers is that they all highlighted doing business honestly or transparently. As mentioned in section 4.5, many companies use ‘cūrə‘-backdoor tactics in bidding for projects. According to these managers, such activities cannot occur in a business practicing CSR. Doing business transparently is a company’s standard. Their examples and explanations were about fair bidding and competition in order to provide customers good quality projects.

The last difference identified is about managers’ perceptions of stakeholders. In section 4.8.1, several managers identified neighbouring communities as stakeholders of construction companies. What managers perceive is that neighbouring communities observe their operation and may become their potential customers. However, beyond being aware of neighbouring communities as a stakeholder, sub-contractor managers also mentioned influences of construction sites on surrounding communities. Those influences can be as varied as creating better conditions for them to improve their income indirectly, or effects of environmental sanitation.

As mentioned in Section 5.2.2, foreign contractors influence managers’ perceptions of CSR; it is also one of the strongest factors. These managers are ones who used to be site managers of local sub-contractors, or who used to work for foreign contractors, or cooperated with foreign partners. In this case, sub-contractor managers used to be site managers in projects executed by foreign main contractors.

In summary, sub-contractor managers’ understand CSR to come from corporate culture. Corporate culture is useful to explain the second difference in their perception of doing business transparently as it is the way a company behaves and does its business. One point employed to explain the third difference is that foreign contractors perceive the influences of construction sites on surrounding areas and they train their site engineers, workers, including those of sub-contractors, about these influences.

5.4 Conducting CSR in corporations from managers’ views

The purpose of this section is to explore managers’ personal evaluations of how CSR is implemented in their companies. What emerges is that for many managers, their understanding of CSR largely encompasses ethical and philanthropic dimensions of CSR. As such, these dimensions fit in Carroll’s (1991) pyramid. It should be noted
that the study does not investigate the actual CSR practices of companies, but CSR implementation from personal viewpoints of managers. Therefore, the investigation is focused on four main issues which interviewees were asked to recall and evaluate personally. The first question asked them to find reasons for CSR practices in each company and to identify obstacles or barriers preventing companies from practicing CSR. Secondly, interviewees talked about how managers and management had been involved in implementing CSR. This involvement is expressed through roles of manager in business practice. Thirdly, they were asked to explain how the CSR concept and its application to particular cases is disseminated and taught in their organizations. Lastly, based on their personal opinions, managers graded their companies’ CSR practices and evaluated their CSR implementation compared with other companies in the construction sector.

5.4.1 Motivations and obstacles in conducting CSR

Managers were asked about motivations for, and obstacles to, implementing CSR in practice. Their answers are grouped into categories of commonalities. Consequently, identified motivations are divided into three groups: economic reasons, personal reasons and other reasons. Similarly, obstacles consist of six groups: economic issues, competition, human resources issues, macro environment, management, and perceptions.

5.4.1.1 Motivations

Most of the managers expressed economic benefits as the first motivation for CSR activities in their companies. These economic benefits were expressed in two main tendencies, including a better and sustainable business result and financial benefits. These two tendencies can be referred to the last tier in CSR pyramid of Carroll (1991).

A better and sustainable business result is used to display a series of opinions about benefits that companies can achieve by practicing CSR. According to managers, practicing CSR will result in companies achieving more competitive advantages. Those advantages are derived from advanced preparations of companies, such as preparing in anticipation of environmental requirements. This point is conveyed by a Deputy General Director when he talked about reasons for his company’s behaviour:
“For example, when customers mention Green LEAF standards … we can understand what they are talking about, how a recycled material is, how to treat things when eliminating that material to the environment, what certificates are required … Whenever they mention those standards, we can understand and obey them strictly, and we can get more advantages than other companies do.” (Manager J2, 2011, research interview)

In addition to achieving competitive advantages, companies also have reason to develop corporate image or brand through practicing CSR. This argument is explained by a General Director of a state-joint-stock company as follows:

“I think the only motivation is to develop our brand: our brand is stronger, and our quality of life will be higher, and our prestige in the community is also higher, and a result is that we have more projects, they automatically bring projects to us. I think that is the only motivation.” (Manager A1, 2011, research interview)

Another significant reason given as a driver to implementing CSR in business operations is about how to survive in an intense market of the construction sector and to develop in the long run. This is suggested by a majority of interviewees regardless of age. A young project manager briefly pointed out that his company’s motivation is “…to develop well and sustainably in the long run … so we have to be good at the beginning …” (Manager J1, 2011, research interview). Likewise, a senior manager also affirmed the only motivation of his company in implementing CSR:

*The only motivation is … what you do well will give you benefits. It is because … the most important thing to a company like H Company is to survive, to sustainably develop … That is my opinion.* (Manager H1, 2011, research interview)

Ten managers directly mentioned profit, employees’ compensation, or benefits of leaders, as significant reasons for CSR activities in their companies. Therefore, the term *financial benefits* is generated to express those ideas. With a good plan for CSR implementation, companies will be more likely to have good business results. As a result, employees’ compensation or benefits of leaders are based on business outcomes. The following explanation of a middle manager closely supports the points:

*I think the motivation is the company’s profit. To employees, it is the reward policy which is linked directly to profit. I think that is the biggest motivation for my company and everyone.* (Manager K2, 2011, research interview)

Similarly, a Deputy General Director of a contractor explained how the reasons for CSR relate to benefits of leaders:
Yes, the motivation is benefits of individuals … it should be individual benefits, obviously it is related closely to business results… It is not … For example, in business … I think in Vietnam it is at the stage, I don’t know how it is in overseas … For example, CEOs are recruited with a really high salary. Why? It is because if that CEO does business ineffectively, he/she will be fired in order to let him/her know … the main income for his/her life … It makes him/her scared and they have to try their effort in adopting CSR or anything … (Manager C1, 2011, research interview)

It can be clearly seen from the analysed data that there is strong empirical support for Carroll’s arguments on economic responsibilities. In particular, these identified motivations can be explained by the two components ‘to maintain a strong competition position’ and ‘to maintain a high level of operating efficiency’ (Carroll 1991, p.40).

Additionally, according to four senior managers, drivers leading companies to practice CSR are derived from reasons of personal leaders. Leaders of companies may practice CSR because of their own passions and ambitions. They may be even influenced by their friends who are adopting CSR in their companies. This point is expressed by a CEO as follows;

    And motivation is also from my friends who are interested in practicing CSR. For example, I have colleagues, who do it and ask me to be involved or I do it and encourage them to be involved. (Manager E1, 2011, research interview)

However, those drivers are also partially linked to economic reasons. A Deputy General Director talked about those reasons;

    The first motivation is the leaders’ occupational passion … the passion in developing a professional company and the ambition of developing the company to an international level. (Manager C3, 2011, research interview)

In other words, the impacts of leaders in companies’ operations are decisive, so their roles in implementing CSR are significant.

    Reasons? Each company has its own culture and behaviours and those are influenced by the top manager. For example, the top manager sets the objectives and strategies for the company, relating to profit-making or any duties in business … (Manager F2, 2011, research interview)

The remaining identified motivations can be associated with the last tier of Carroll’s CSR pyramid. The philanthropic component ‘to perform in a manner consistent with
the philanthropic and charitable expectations of society’ (Carroll 1991, p.41) can be used to explained these motivations.

Generally, from a managers’ viewpoint, practicing CSR is a means of doing business and helping companies to achieve their targets. Therefore, the main drivers of CSR in companies are mostly derived from economic reasons, such as business results and financial benefits. It is worthwhile to note that not only companies and leaders, but also employees, can benefit from practicing CSR.

**5.4.1.2 Obstacles**

There is a wide range of obstacles to implementing CSR mentioned by managers. Obstacles can be divided into six groups: economic issues, competitive pressure, HR issues, management, understanding of CSR, and the macro environment.

First, economic issues are not only classified as a motivation, but also as a barrier to companies. The explanations of six managers focused on the cost of fulfilling required obligations. A middle manager affirmed the economic factor as the first barrier for his company. To point out reasons, he explained how economic factors prevent CSR practices:

> There are always required and sufficient conditions. From individuals to company, society, or even the nation … If they want to do a thing, for example, how they can do it without money. The company wants to do CSR, how it can do that without money … Money doesn’t mean more or less, but in a certain condition, people need money. (Manager B2, 2011, research interview)

This perspective is also shared by a senior executive of a large contractor:

> One more obstacle is … from the board of management’s perception … nothing is free of charge, everything has its cost. In term of cost … in the period of difficult economy, cost is limited; CSR is also … more difficult. (Manager D1, 2011, research interview)

Secondly, competitive pressure is an obstacle preventing companies from practicing CSR. According to interviewees, competition in the construction sector is very intense. Even though adopting CSR can bring competitive advantages to companies, it is perceived to consume a lot of money. By not spending on CSR activities, companies can get advantages in project bidding. That is why a senior manager stated that “the real competition in our market has not started yet” (Manager C3, 2011, research interview). This leads companies to avoid implementing CSR in their
operations. A CEO explained this point of view and its influence on her company’s capabilities in bidding.

Of course, in the consulting and design sector, there is an intense competition, even between our company and NAGECCO. However, big companies have their own targets. For example, Mr. Cuong has his familiar customers, so do I. Large design and consultant companies do not compete in such aspects, but new and small companies offer a low price. Obviously, there are owners having not much money … That is called unfair competition. For example, a reasonable price must be $10.00, but they offer only $2.00, what can large companies do? We can only offer a price at $8 because we have to spend money to ensure our projects … fulfilling our duties … In bidding, there are many unreasonable issues. (Manager A1, 2011, research interview)

The first two identified obstacles can prevent construction firms from fulfilling economic responsibilities – the first tier in Carroll’s CSR pyramid. High costs and high expenditures are perceived as the main obstacles to practicing CSR and become a factor which decreases profit of corporations.

Third, HR issues are used to describe barriers relating to the workforce in companies. The difficulty is about the quality of employees who have to suit the working style because standards and quality in working environment adopting CSR are higher. Managers’ concerns are also about the habits of the workforce which are not appropriate to the new requirements. Based on his experiences, a project manager of a private contractor offered the following explanation:

Actually, motivations are always accompanied by obstacles. I think, the greatest difficulty is to find persons working with their heart and virtue. Not only that, but also making an interesting environment for them, so they can keep their mind on their work. And … making them an environment that they want to make their contribution to and they have chance to be promoted. That is it! And … especially, you see, nobody is similar to others. There are quality people, but there are also people not meeting the standards. So, there are no ways better than to guide and coach them. (Manager F1, 2011, research interview)

In order to improve the capabilities of employees to practice CSR, companies need to put more effort to orient and train their employees. This factor relates to HR policies of corporations and can be referred to the theme ‘HR issues’ which overlap with legal responsibilities in Carroll’s CSR pyramid.
There are three middle managers who are concerned about *management* as the fourth barrier to adopting CSR in practice. All three managers are working in contracting firms. In their view, obstacles are raised in balancing requirements and practice in Vietnam, in disseminating CSR awareness to employees, or in relations with stakeholders. A project manager exemplified an obstacle raised from construction sites:

*Generally, obstacles are ... as I told you, we have to balance. For example, a safety system learned from foreign contractors cannot be applied in Vietnam ... So, we have to be selective in use ...* (Manager C2, 2011, research interview)

The other issue in management that concerns managers is how to effectively disseminate CSR understanding to employees and how CSR may be properly implemented. A head of department expressed his concern about this issue as follows:

*Yes, of course, there are obstacles. If we set our objectives in making profit, the barrier is that whether we can ... When we adopt CSR in activities, the barrier is how we implement and disseminate those understandings to our employees ... whether they do it wrong ... not consistently with the instructions ... whether their experiences are appropriate ... whether the external environment affects ...* (Manager G1, 2011, research interview)

This obstacle prevents companies from practicing the ‘Responsibilities to stakeholders’, which is identified from data analysed in Section 4.7.4.

The fifth barrier to companies implementing CSR in practice is *understanding of CSR*. That is the judgment of three senior managers working in contracting firms. One point in this issue is owners’ and consultants’ understanding of CSR. As mentioned above in discussing *competitive pressures*, practicing CSR is costly and leads to higher bidding prices. The decision in choosing a contractor will be more exact if owners and consultants understand this point clearly. This is of particular significance to contractors who are implementing CSR in their operations. This idea is articulated by a Deputy General Director:

*Yes, there are obstacles. In a game, if a game player and umpire don’t understand the rules, it is ... Especially, it is owners and consultants who don’t understand, they just copy those requirements from others but don’t understand its real meaning. Therefore, in the evaluation process, they raise questions ... “Why is your price so high while the other’s price is much lower?” ... They don’t understand that the high price includes which components. You see, the obstacle of our company is that we cannot compete*
in such situations … It is ok if our competitors don’t understand. It is clear that, … if they (competitors) don’t know, they cannot perform. However, the problem is judged by persons who don’t understand that issue. (Manager J2, 2011, research interview)

Another point in understanding of CSR is awareness of the public about CSR. By using an example of a traffic issue, a Deputy Director expressed his concern about the behaviour of people towards CSR activities:

Actually, when performing such activities … in the context of Vietnam. Let me give an example. At noon or night, if you stop when the red light turns on, there may be someone shouting at you. However, if you would not stop, the accident would happen, it would have a bad influence not only you, but also the others … What I want to say is when you talk about CSR, you will be looked at with an abnormal eye by someone. I think, that is the most important obstacle.

Who is “someone”?

It is the whole society, generally. For example, if a company does charity, people are often questioning, “That company is developing and improving its image? Is it for the economic purpose to get more profit?” people do not understand and highly appreciate such activities. They think it is to create a better corporate image. It is a serious obstacle from the society. (Manager K1, 2011, research interview)

The last obstacle, which is identified by three senior managers, is from the macro environment. According to managers’ views, they need support from professional associations or clear legal requirements to adopt CSR in their operations. A CEO explained the reason why business organisations have not paid much attention to CSR as follows:

Currently, to the company, we do not pay much attention in CSR. I think … via media channels … we don’t have clear regulations, we do not have … It means … To enterprises, legal requirements are not clear … and are still limited. (Manager G2, 2011, research interview)

It can be seen that managers are of the view that there are a wide range of obstacles to hinder implementation of CSR; from the internal to the external environment. Nevertheless, external factors, such as competitive pressure or understanding of CSR, are quite important to companies in implementing CSR because practicing CSR is perceived to be costly. In particular, there is a manager who admits that his company management board has not paid attention to CSR because of lack of legal requirements. Some obstacles can be identified in preventing some specific
responsibilities, while some others may inhibit companies from practicing CSR in general.

Besides benefits from practicing CSR, there are many barriers preventing companies from adopting it in operation. Those identified barriers may be useful to evaluate and to help understand why CSR is still an emerging concept and practice in developing countries like Vietnam.

5.4.2 Roles of managers in CSR

As identified by Mintzberg (1973), there are ten managerial activities which are grouped into three main categories of roles that managers engage in; namely interpersonal, informational and decisional roles. However, in the interviews, managers described roles of managers in CSR in their companies which can be matched with five managerial activities. Those are figurehead, liaison and leader in interpersonal roles, disseminator in informational roles, and entrepreneur in decisional roles.

These managerial activities in interpersonal roles are explored in interviews. The first is the figurehead mentioned by eight managers. According to these managers, managers in their companies are playing a role by being examples in practicing CSR, so that their behaviours, attitudes and activities have a significant impact on their subordinates. A CEO of a state-joint-stock company explained his own role of being an example to his employees in CSR, and also in his daily activities:

*Everyday … my roles are … I talk and I do. That is also a method to disseminate … It is not ‘he says only, what he does is not like what he says’ for example. Leaders are, first of all, an example in saying and doing … and how to do more than to say …* (Manager I1, 2011, research interview)

For managers who are working in private companies, persuading owners to practice CSR is also considered a role of liaison. The reason used to explain this is that practicing CSR costs a lot of the corporate budget so that not-owner managers cannot make decisions about CSR but need to persuade owners and get their approval. This opinion is expressed by a Deputy General Director of a private corporation as follows:

*In terms of spirit and philanthropic responsibilities, they are supplemented as they are depended on top manager. Even me, I don’t have right to decide, because it relates directly to money. Spending money is not for competition, or … That amount of money is from profit … it is also a cost … it depends mainly on the top. However, the way of talking to him depends on me as I*
can persuade him. For example, students come for internships, we can offer them lunch, working cloths, hats … as we cannot let them enter sites without … They are students, and they need to be trained. We graduated from HMCUT and we have our responsibilities to the university. He listens to me; he accepts and approves of that cost. Such decisions are made by the persuasion of people like me. (Manager H1, 2011, research interview)

The leader role is recognized in CSR by orienting and training employees and lifting employees’ spirits. Those issues are raised by ten managers. Besides being an example, managers need to orient and conduct training sessions to lower managers and staffs. A middle manager explained this role by an example on a construction site:

*I think the role is the responsibility in instructing employees to understand about CSR. For example, when we see a worker or technical officer does not pay attention in safety in work, or the site is not in order, or pulling a wire without a protected tube, we need to instruct them immediately in order to let them realize the importance of human’s life. Such activities cannot be neglected. If we instruct from the beginning, the employees can understand it.* (Manager G1, 2011, research interview)

Additionally, the role of managers in CSR is not only to orient and train employees, but also to lift their spirit. In a middle manager’s view, employees working to satisfy CSR requirements need to be supported mentally:

*First, role relates to spirit. The board of management needs to lift the employees’ spirit up. Second, working with CSR requirements must be systematic. These two roles need support from each other. When the works are systemized, it will make less stress for everyone, then if managers know how to encourage their employees, things become more easy …* (Manager K2, 2011, research interview)

In terms of informational roles, the only managerial activity in CSR identified is disseminator. Disseminating is considered an important managerial activity. Depending significantly on the level of management and capabilities of employees, disseminating is conducted differently. A middle manager talked about this role in her company:

*Their role is very important, extremely important. Disseminating to employees so that they understand clearly is extremely important. Subordinates…, not because of their knowledge, but …… their vision does not reach to that level. They, simply, work and receive a salary. Therefore, it is difficult for them to recognize such issues, it must be disseminated to them.* (Manager E2, 2011, research interview)
Expressed in different terms, a senior manager highlighted clearly the importance of the roles of middle managers in CSR dissemination as follows:

*Actually, the role of middle managers is really important because they are the ones implementing ideas of the top leader, then disseminating them to their subordinates…* (Manager D1, 2011, research interview)

Lastly, regarding decisional roles, entrepreneurial activity is conducted by developing business strategies (which cover CSR issues), and controlling working processes. In the interview, a CEO of a state corporation mentioned that the roles in CSR are only for highest management are in dissemination and in developing business strategies. His explanation is that “the lower management levels do not have enough capabilities to perceive…” (Manager E1, 2011, research interview). Therefore, in his thinking, the role of senior management in CSR is:

*Besides disseminating CSR as I mentioned above, the role of the highest management is to develop a business strategy covering many issues, not only increasing revenue and profit, but also being responsible to the community. When you have such issues in your strategy, in the annual business plan, you have to practice it and show it up. Such activities do not happen suddenly, but we have plan for that. It means they are in the company’s business plan.* (Manager E1, 2011, research interview)

In one interview, a project manager could not identify the role of managers in CSR, but described what they have done at work:

*The role of managers in CSR is … we have to focus on purpose, then assign and communicate to departments. In the executing process, if there are any problems, or such and such wrong issues, we need to organize meetings between core departments, and then decentralize …* (Manager C2, 2011, research interview)

However, there is an opinion that managers have an unclear role in CSR. It is from a director of a state-joint-stock subsidiary. This is the same one who highlighted professional conscience as CSR. Hence, to talk about roles of managers in CSR:

*To this company, actually … roles in CSR are so unclear … actually … all can meet the requirements of current situation only, but …* (Manager A2, 2011, research interview)

To sum up, interviewees’ perceptions of the roles of managers in CSR are appropriately classified in five of the ten managerial roles identified by Mintzberg (1973); figurehead, liaison, leader, disseminator and entrepreneur. In those perceived roles, according to the terms used by managers, being an example, training employees
and disseminating CSR are mostly mentioned and described in details. Other identified roles depend to some extent on special circumstances. It can be worthwhile to note that the real roles of managers in CSR in practice are reflecting the actuality of CSR in developing country like Vietnam.

5.4.3 Disseminating CSR and training in CSR

After identifying the roles of managers in CSR, interviewees were asked to describe how employees in their companies are trained in CSR and how information about CSR is disseminated. The ways selected to train and disseminate CSR to employees consist of formal communication channels, informal communication channels and HR functions.

According to interviewees, all companies in the study employ formal communication channels as ways to disseminate and train employees about CSR. There are various channels, including regular meetings, documents and rules (e.g. ISO standards). In particular, regular meetings are the most frequent method used in companies to diffuse knowledge or plans to subordinates. In a company, many meetings with different purposes are arranged, and depending on the purposes participants in meetings are also different. This point is stated by most of interviewees, however, it is quite clearly articulated by a middle manager:

*All issues are communicated in meetings. There are meetings, including the meetings with different management levels, or with all employees, or with management sites ... In such meetings the General Director gives his directions to subordinates, or shares the opinion, the thinking, real issues ... not relating to jobs.* (Manager E2, 2011, research interview)

In more detail, a Deputy General Director explained how one of the CSR activities is implemented in meetings:

*Yes, through weekly meetings, we explain many issues, including CSR. For example, students come here for their internships, I don’t instruct them. I have talked to them directly only in one day, they will be in factories in the remaining time. So, in the weekly meetings, I also assign students to factories. Why do we have to do that? I explain to my staffs, we must express our responsibilities to society in cooperating with universities to train. If not, who are the ones training, we don’t have to pay anything, and we only get benefits. Second, some employees graduated from HCMUT, we give them a chance to instruct students. I explained in such a way, they understood... When explaining, we have a shared opinion of making them comfortable, not*
forcing them. It is so bad! However, it becomes an order to lead them to that vision. (Manager H1, 2011, research interview)

Besides meetings, documents or issued rules are also channels employed to forward necessary information and orders from the management board to front-line employees. As explained by a Deputy General Director of a large private corporation:

*The corporation has issued the related requirements and asked site managers to follow them strictly. For example, how to equip for construction workers, how the shoes and the site helmets are. As I told you, shoes and helmets are bought by the corporation and delivered as the requirements. Or the requirements about the site signs or how the banisters are ... The corporation will allocate such equipment and the site managers have to perform. Or studying about labour safety, morning exercise, saluting the flag on Monday morning ... all require the site managers to strictly follow.* (Manager F2, 2011, research interview)

**HR functions** are also considered a means of disseminating and training in CSR. Eight managers stated that in their companies HR activities play a role in supporting managers in diffusing an understanding of CSR. Training is the main activity performed in companies by all management levels with support of a personnel department. A Director of a contractor expressed this opinion in his interview:

*To disseminate ... I am their direct manager, I have to organize meetings, disseminate, train my staffs ... I have to conduct... talk shows (informant’s word) ... I have ... tools ... Actually, in construction jobs, I have to learn much about such issues and through them and ... with supporting of HR department’s activities, such as the company’s events ... continuously ... (Manager D1, 2011, research interview)*

**Informal communication channels** are also used to disseminate CSR to employees. All managers who mentioned informal communication channels as a means to disseminate information about CSR are in senior positions and they talked about their own actions; directly talking to employees, drinking, and expressing working manners. A CEO does not advocate any meetings at all, but she prefers talking to employees directly:

*Dissemination is not through meetings, I don’t meet frequently. I come to talk to each architect, each engineer, each factory ... (Manager A1, 2011, research interview)*

Different from *being an example* as a role of managers in CSR, five senior managers said that they use their own working manners as a way to disseminate CSR understanding to their employees. According to them, expressing through working is
an effective way to disseminate CSR. As stated by a Deputy General Director of a large contractor:

> Effective dissemination is conducted through the way of doing of leaders … definitely, the leader has to be so determined … if you do not do it in that way, problems may occur potentially. (Manager C3, 2011, research interview)

One common phenomenon in the construction sector is that a majority of the workforce drinks frequently; therefore, drinking is also used as a way to communicate with each other. This point is mentioned by two senior managers, one working in a state-joint-stock company and other in a private corporation.

From the interviews, it can be concluded that formal communication channels, particularly regular meetings, are used officially in companies to disseminate and train employees in all issues, included CSR. Besides meetings, HR functions, especially training activities are considered a helpful tool to support managers to diffuse CSR. These tools are used to formally transmit knowledge or information required from upper to lower management and to front-line employees. One point that should be noted in the construction sector is that drinking with employees is considered a method for managers to train employees and to disseminate CSR.

### 5.4.4 CSR performance

Managers were asked questions about three issues in order to assess their companies’ CSR performance. The first question was whether they were satisfied with what their company had done relating to CSR. The second asked them to grade CSR performance in their company on a scale of 1 to 10. The last asked them to make a comparison between their company’s CSR performance and that of others in the construction sector.

To the question about *satisfaction of CSR practices*, only six managers gave answers. Six of the remaining interviewees directly graded or made comparison with other companies in order to illustrate that their companies are doing really well. Other managers did not want to respond, sometimes responding with, “I do not know” (Manager C2, 2011, research interview).

Those six giving answers can be divided into two groups. One group consists of three middle managers who responded that they are satisfied with the CSR performance of
their company. For example, a director of a state-joint-stock subsidiary gave his answer as follows:

In my opinion, what the company has done is quite good. In terms of responsibility to government, such as paying tax ... everything is ok, ... That for employees is ok as well, their income is reasonable, it is enough for them to cover and staffs don't quit their jobs and they still work with the company ... In terms of major, ... from my point of view, our company is a good company in Ho Chi Minh city. (Manager A2, 2011, research interview)

Another group includes three Deputy General Directors of three contractors. All three have thinking akin to each other. They think that their companies need to change continuously, even though they are satisfied with things relating to how CSR is done. They confirmed that it cannot be accepted if their company’s business performance and CSR practices are not improved. This point is explicated in the following quotation:

Yes, I am fairly ... satisfied. Currently, with such a team, but we can have that outcome, I feel quite satisfied (hà lòng), but I am not really happy (bằng lòng). It is not a pun ... but I feel ...

... It is because ... I on my own can do ... our personnel can do better. It can be said ... can be said ... there are many errors in sites which should not happen or ... with the current level of our company ... we need stages ... it seems ... besides the target of revenue ... we need an important breakthrough to become a responsible contractor. However, we haven’t got. Therefore, I am not really happy with that ... (Manager J2, 2011, research interview)

Regarding marking CSR performance on a scale of 1 to 10, interviewees were asked to rank their companies independently, not considering those of other companies, and the results are classified into three groups. The group named ‘Average’ consists of rankings of 5 and up to 6, ‘Good’ – from 6 to 8, and ‘Excellent’ – from 8 and over. There are twelve out of twenty one managers in eight companies who gave their opinions by ranking. Two contracting firms are ranked ‘Average’ by three managers. In particular, the rankings for a private-joint-stock company of both interviewed managers are alike at 5. Likewise, the group ‘Good’ also comprises two contractors; one is state-joint-stock and another is private-joint-stock companies. The private one is also ranked at 7 by both managers. Lastly, there are five companies marked from 8 to 9 and grouped into ‘Excellent’. Of these five enterprises, there are two private, two private-joint-stock and one state-joint-stock companies.
Interviewees were also asked to make an overall comparison of CSR performance with the CSR performance of other companies in the sector. In this question, they need to evaluate their companies’ CSR performance, but rely on consideration of other companies. There are two categories, including ‘Average’ and ‘Excellent’. Eventually, seven managers in five companies concluded that CSR activities in their organizations have been ‘fairly good’ or ‘average’. To those managers, it is clear that they made comparisons with their direct competitors. A middle manager compared with a company and also explained the result:

As compared with other companies, my company is also at the average and needs more effort. For example, there are some other companies, such as Hung Vuong construction company, applies ISO standard in management. It means they are following a better performance. Our company has just started for some years, therefore, management style; employees’ experiences are still limited … (Manager G1, 2011, research interview)

The category ‘Excellent’ contains four companies ranked by four senior managers. With different explanations, all four managers affirmed that their companies are excellent in CSR. In particular, one senior manager concluded that his corporation is the best in the construction sector. He explained the reason for his conclusion:

It is because in comparison with many … Actually, company D. is a small company in the business community in Vietnam and we haven’t done as much as others do. In the construction sector, we are No.1, but in comparison with other sectors …

Actually, in the construction industry, there are two kinds, one is private businesses, and another is state-owned businesses. State-owned companies … Actually, company D. doesn’t care as they are not our competitors, and they also don’t have anything for us to learn. So, I don’t know about those companies. In terms of private companies, there are Cofico, HoaBinh. I recognize that HoaBinh has done a lot of things in CSR. (Manager D1, 2011, research interview)

Similarly, three other senior managers have their own reasons to rank their organizations in the top in conducting CSR. However, four managers refused to make a comparison because “Each company has a different view on this issue. It is, therefore, difficult to compare” (Manager F2, 2011, research interview). Another reason given was that they do not have information of other companies to enable comparison. As stated by a director of a private subsidiary:
It must be conducted a survey. If saying generally, it is so limited. Our company started in 1989, it was so difficult at that time…It is too difficult to compare …No information to compare … (Manager H2, 2011, research interview)

In general, when asked to evaluate CSR performance, for each question, there were some managers who refused to answer. The reasons for not responding are different. However, it can be seen that managers do not have enough information about CSR activities of the construction sector, or of their own corporations. These reasons will affect managers’ understanding of implementation, dissemination and training in CSR in their company.

5.5 Conclusion

This chapter provides a comprehensive understanding of two crucial issues. Firstly, the chapter identified factors impacting on managers’ perceptions of CSR. These factors are grouped into categories, namely education, working life, personal issues and other interactions. When managers talked about these influences, education and working experience are mostly referred to. It can be seen that these two factors are playing a role as background to managers’ understanding of CSR. Education, either self-studying or school training, has a strong impact on their perceptions. In addition, because of requirements of the construction industry, managers must experience all lower positions and their understanding of CSR is considerably enriched by this experience as well. Importantly, the study identified factors having the strongest influence on managers’ perceptions of CSR. Identifying those determinants helps in understanding managers’ attitudes towards CSR.

Secondly, the study let respondents personally evaluate how well CSR is performed in their companies. Their evaluations are worthwhile by providing a better understanding of how construction companies practice CSR. On the one hand, construction companies adopt CSR in business because of economic benefits from those activities. On the other hand, they are faced with many obstacles that prevent them from practicing CSR. In particular, participants mentioned the roles of managers in CSR. Those roles explain the actual methods used to disseminate and train CSR in companies.

Besides the two issues mentioned above, this chapter also pointed out differences in managers’ perceptions of CSR and of stakeholders. These differences come from
participants’ working experiences and their ages. This understanding will help to explain their attitudes towards CSR.

It should be noted that this study is different from previous studies in CSR by investigating factors impacting on managers’ perceptions. This issue is not well understood in the literature on CSR because there are few studies that discuss it. It can be argued that managers’ approaches to implementation of CSR will be strongly influenced by their perceptions. Therefore, a better understanding of managers’ perceptions of CSR will be useful in developing initiatives to strengthen CSR. The next chapter will discuss previous studies in which scholars mention or discuss determinants of attitudes towards CSR, particularly how those determinants are identified. The chapter will also address all the research questions of the present study and draw conclusions.
CHAPTER 6 - DISCUSSION AND CONCLUSION
6.1 Introduction

The previous two chapters presented data gathered through interviews with middle and senior managers in eleven construction companies in Ho Chi Minh city, Vietnam. Chapter 4 described managers’ understanding of CSR and of stakeholders and, in particular, their views about what influences firms to practice CSR. Chapter 5 identified the influences on managers’ perceptions of CSR and stakeholders and explored determinants of those perceptions. Additionally, comparisons between managers’ perceptions of CSR and stakeholders were conducted in order to identify whether there are any differences between managers and why those differences exist.

The present chapter discusses how the study addresses the research questions and how the study contributes to CSR literature. The main objective of the study was to investigate managers’ perceptions of CSR in the construction sector in Vietnam. The identified CSR understanding of managers is compared with the classic CSR pyramid developed by Carroll (1991) in order to determine what perceptions do and do not fit in with the pyramid. This chapter also discusses factors forming and influencing managers’ understanding of CSR which makes this study different from previous CR research. Subsequently, recommendations are drawn from the responses to the research questions. Thereafter, limitations of the research are pointed out and implications for further research are also suggested. Finally, the concluding session of this chapter highlights the importance of exploring managers’ perceptions of CSR and the factors that influence their perceptions.

6.2 Responses to the research questions

This section focuses on discussing the main findings of the study, and how the data address each research question. Importantly, it also explains how the findings contribute to CSR literature, especially when compared with the CSR pyramid of Carroll (1991). Moreover, one contribution of the study is the identification of factors forming and influencing managers’ perceptions of CSR. The response to each research question is discussed next.

6.2.1 Research question 1- Managers’ Perceptions of CSR

As presented in Chapter 2, the CSR pyramid designed by Carroll (1991) was employed to frame this study. Hence, the interview questions were developed so that
they reflected four categories of responsibilities in the pyramid. However, given that the research was exploratory, the interviews were semi-structured to let respondents talk freely about their views on CSR (see Appendix 4). As such, respondents’ opinions were not limited to the four categories of responsibilities identified by Carroll (1991), but extended to other as well. Table 6.1 presents all categories of responsibilities and their sub-themes which were identified in the data.

Table 6.1: Five categories of responsibilities and their sub-themes

<table>
<thead>
<tr>
<th>No.</th>
<th>Category of responsibilities</th>
<th>Sub-themes in category</th>
<th>Specific issues mentioned</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Philanthropic responsibilities</td>
<td>Serving the external community</td>
<td>Required responsibility</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Conditional responsibility</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Serving a specified community</td>
<td>An identified university (HCMUT)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Serving the internal community such as employees, staffs, temporary workers</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Ethical responsibilities</td>
<td>Organizational ethical issues</td>
<td>Business ethics</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Spiritual responsibilities</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Personal ethical issues</td>
<td>Do more than required</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Professional conscience</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Awareness, working with heart and virtue</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Legal responsibilities</td>
<td>Regulatory compliance</td>
<td>Obeying the laws</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Doing business honestly/transparently</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>Economic responsibilities</td>
<td>Being profitable</td>
<td>Providing good quality products and creating assets</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Efficiency</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Producing</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>5</td>
<td>Other types of responsibilities</td>
<td>Human resources (HR) issues</td>
<td>HR policies</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Responsibilities to employees, such as creating a good working environment, creating jobs and incomes, and assuring safety on construction sites</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Prestige and reputation</td>
<td>Commitment</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Prestige and reputation</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environment</td>
<td></td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Responsibilities to stakeholders</td>
<td>Balancing benefits to stakeholders</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>No bad effects on society</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Improving awareness of society</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Creating urban aesthetics</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>National responsibilities</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>
As presented in Table 6.1 above, the result is that managers’ various understanding and thinking of CSR are categorized into five groups, namely philanthropic responsibilities, ethical responsibilities, legal responsibilities, economic responsibilities, and other types of responsibilities. This section discusses the five categories of responsibilities listed in Table 6.1 in relation to the CSR pyramid developed by Carroll (1991). Figure 6.1 presents Carroll’s pyramid on the left. On the right Vietnamese managers’ understanding of CSR is categorised into a revised pyramid.

Figure 6.1 Vietnamese managers’ perceptions of CSR
The first issue to discuss here is philanthropic responsibilities. Carroll (1991, p.42) asserted that ‘philanthropy is highly desired and prized but actually less important than the other three categories of social responsibility’. As presented in Chapter 4, Section 4.3, there are two tendencies in the respondents’ views about companies’ charitable activities. One tendency is to view charity as a required responsibility; the other tendency was that is a ‘should’ or conditional responsibility. Vietnamese managers perceive philanthropy not only as an obligation, but also that firms should perform it. In terms of philanthropic components, there are activities which are listed in Carroll (1991, p.41); for instance charitable activities contributing to local communities, or assistance to educational institutions. However, one point which should be noted is that, in respondents’ opinions in the present research, charity begins at firms. It means that philanthropic activities need to be performed right in the firms and this is somewhat different from Carroll’s (1991) presentation of philanthropy.

The next category is ethical responsibilities. One significant point in the ethical responsibilities in Carroll’s pyramid (1991) is that ethical activities are expected by society and go beyond the legal requirements. Ethical components which are depicted by Carroll are related to organizational behaviours and attitudes, and the understanding of ethical responsibilities expressed by Vietnamese managers is in line with Carroll. Notwithstanding, as Chapter 4 Section 4.4 shows, in the view of Vietnamese managers’, there is personal ethical awareness in addition to organizational ethical issues. Personal ethical awareness of specific persons working in the construction sector, such as engineers, or architects, is an important ethical factor in CSR.

All managers who were interviewed perceived the significance of legal responsibilities and considered them as mandatory obligations. Regulatory compliance, especially transparency in business, is highlighted as CSR practices. Respondents even affirmed transparency as the only way for a business organization to survive. They acknowledged the importance of complying with rules and regulations in doing business. This is similar to the legal components of CSR summarized by Carroll (1991). Finally, in terms of economic responsibilities, all respondents understood the prime need of a business organization is to survive, so that economic responsibilities are perceived as the foundations for any other duties,
obligations or responsibilities. In Carroll (1991; 2010), economic and legal responsibilities are argued to be the foundation of corporate social responsibilities. In brief, it can be argued that, Vietnamese managers’ perceptions of economic and legal responsibilities do coincide with Carroll’s view.

In addition to the four responsibilities discussed above, there are other responsibilities which cannot be easily categorised into any in Carroll’s CSR pyramid (1991). As presented in Chapter 4 Section 4.7, these responsibilities are grouped into a category referred to as Other types of responsibilities. Even though those responsibilities do not fit neatly into Carroll’s CSR pyramid (1991), there are some overlaps with the four categories of responsibilities. All overlaps between managers’ understanding of CSR and the four kinds of responsibilities in the pyramid and the emerging responsibilities which do not fit in Carroll’s CSR pyramid (1991), are presented in Figure 6.2.

The first two overlaps are between two sub-issues in human resources (HR) issues and legal and ethical responsibilities. One of these is between HR policies and legal responsibilities and the other one is between responsibilities to employees and ethical responsibilities. First, respondents noticed that there is a responsibility of business in its HR policies and its views on HR. Human Resources policies are supposed to be in accordance with the Labour Code issued by The Socialist Republic of Vietnam. Therefore, this aspect is the overlap between HR issues and legal responsibilities. Secondly, managers’ awareness of responsibility to employees is the overlap between HR issues and ethical responsibilities. Activities like creating a good working environment, creating jobs and income, and assuring safety on construction sites, are objectives of HR management in which all management levels are involved. These activities are expected by employees and they overlap with ethical responsibilities.

The next two overlaps are between prestige and reputation and economic and legal responsibilities. On the one hand, the sub-theme commitment overlaps with legal responsibilities. As required, all official commitments of firms with customers, employees, and business partners are documented as per Labour codes or rules of business contracts. Those documented commitments force firms to keep their word. On the other hand, as explained in Carroll (1991), under the scope of economic responsibilities, one of a firm’s roles is to maximize profits. Meanwhile building up prestige and reputation is an approach used by firms to get competitive advantages
Vietnamese managers’ perceptions of CSR
and it leads to maximizing profits as well. This is the overlap between the sub-theme *prestige and reputation* and economic responsibilities.

One more overlap is between *Responsibilities to stakeholders* and philanthropic responsibilities. In the summary of philanthropic components, Carroll (1991) suggested that firms should assist, or be involved in, improving quality of life for the community. This point overlapped with three issues in *Responsibilities to stakeholders*, those being *no bad effect on society*, *improving awareness of society*, and *creating urban aesthetics*. Those issues are in line with the idea *improve quality of life* in philanthropic responsibilities.

The last overlap is between environmental responsibilities and both legal and ethical responsibilities. Even though managing and controlling regulatory compliance in Vietnam is not particularly strict for construction companies, they do have to show that they are complying with rules and requirements about the environment. This point is the overlap between environmental and legal responsibilities. On the other hand, their performance depends on each company. Performing activities relating to environmental issues, such as environmental sanitation on sites, protecting neighbouring communities or keeping good views outside construction sites, is derived from the organizational ethical perspective. That is overlapping with ethical responsibilities.

Moreover, it should be said that Vietnamese managers are partly aware of the linkage between the environment and the construction sector. Their awareness consists of the impacts of the sector on the environment and vice versa. However, their perceptions of the environment do not extend to any solution to this issue in spite of the impacts mentioned. Additionally, as presented in Section 5.4.2, managers in Design and Consulting firms perceived environmental issues as being the responsibility of owners and contractors, not their responsibility. Therefore, managers in the construction sector have only recently become aware of the environment and their understanding is incomplete. This is one of reasons influencing the extent of environmental pollution in Vietnam.

Besides the five overlaps discussed above, there are sub-themes in *Other types of responsibilities* which do not coincide or overlap with any categories in Carroll (1991). First, in HR issues, managers expressed their opinions about firms’ views
about personnel. Firms’ views about personnel are the ways that management boards behave towards, and treat, their workforces. Personnel may be considered as an input for manufacturing process, or as valuable resources which make a significant contribution to a firm’s success. Those views cannot be ruled by any laws, but depend mainly on managers’ opinions and their knowledge of HR. This is a part not overlapped with legal responsibilities, and does not fit in any category of Carroll’s (1991) pyramid.

Secondly, in HR issues, creating a good working environment, creating jobs and income, and assuring safety on construction sites, are also considered as hygiene factors in Herzberg’s (1959) two-factor theory (Bockman 1971). Hygiene factors help employees to avoid discomfort and unpleasantness at work and contributes to employee satisfaction (Bockman 1971). Fulfilment of those activities requires management understanding of HR management. Hence, they are a part not overlapped with ethical responsibilities.

Thirdly, as expressed by managers, achieving prestige and reputation is not only a responsibility of businesses, but is also a means to fulfil businesses’ responsibilities to stakeholders. They also affirmed that to keep commitment and prestige, construction companies, in many cases, are faced with many difficulties, even financial loss. In such cases, prestige and reputation does not fit in the economic category of Carroll (1991).

Fourthly, as mentioned above, no bad effect on society, improving awareness of society, and creating urban aesthetics are activities performed in order to improve the community’s quality of life. Carroll (1979) explained that businesses desire to engage with such activities purely voluntarily. However, as expressed by the respondents, these activities are performed in accordance with their occupation. No bad effect on society can be grouped in-line with the idea of Lindorff, Jonson et al. (2012). In their study, Lindorff, Jonson et al. (2012) suggested that firms in controversial sectors exercise CSR by solving or addressing particular social issues which might be caused by their operation, in order to minimise harm affecting the society. Vietnamese managers are clearly aware of how their operations affect community life and society in many aspects, such as noisy and dusty environments around construction sites. They also realise that the quality of their operations in construction will also impact
foreign investors’ evaluations of the investment climate and their considerations of partnering with Vietnamese firms.

*Improving awareness of society* is an activity perceived by Vietnamese managers which should be extensively disseminated within construction firms. At the root of this factor is that the understanding of construction firms and of construction workers of society in Vietnam is still limited. The economy in Vietnam is still very difficult and companies have to compete in an intense market without being equipped with the necessary sensitivity to society and social issues and impacts in doing business. In addition, life is still difficult for people in Vietnam as a developing country. They have to compete to get jobs in this low-wage economy, and it becomes a reason leading workers accepting job offers at any price.

*Creating urban aesthetics* is a particular activity in the CSR corpus of construction firms. Vietnam is still a young country in industrialisation, its cities and provinces are under intense construction projects. Big cities like Ho Chi Minh City, Ha Noi, Can Tho, Da Nang are constructing many high buildings for offices and apartments, as well as luxury residential areas. Whether these projects are safe and sustainable depends on how they are designed and executed. This is responsibility of construction companies.

In such situations, these points do not overlap with philanthropy in Carroll (1991)’s CSR pyramid. Furthermore, different stakeholders have different interests and make different claims on a firm’s operation. Therefore, one duty of business organization is to balance those benefits, but it does not fit in any category of responsibilities suggested by Carroll (1991).

Lastly, one identified issue which cannot be categorised using Carroll’s (1991) pyramid is national responsibility. As mentioned in Section 4.6.5 and Section 5.3.3, the current context of Vietnam, and the characteristics of the respondent who raised the issue about business’s involvement in protecting territory, is distinctive. Recently, the relationship between Vietnam and China has deteriorated because of conflicts over national economic zones. In this context, it can be easy to understand why the respondent raises the responsibility of protecting national territory. That distinction drives the perception of national responsibility.
Of the twenty one managers interviewed, eighteen discussed the motivations for pursuing CSR initiatives in companies. There are three managers, who do not know of any reasons that lead companies to practice CSR. Their explanations can be categorised in five areas as shown in Figure 6.3.

In addition to, and as part of exploring Vietnamese managers’ understanding of CSR, the study also investigated their perceptions of stakeholders. As presented in Chapter 4 Section 4.9.1, the investigation consisted of identifying stakeholders of construction companies, companies’ priorities in satisfying stakeholders, and their consideration in dealing with construction companies. Ten groups of stakeholders are identified: customers, employees and their families, neighbouring communities, shareholders, local authorities, business partners, management team, end-users, associations, and universities. There are some points worthy of note. First, among the groups, employees and customers are named as important stakeholders by all managers. Secondly, management teams and end-users are separate stakeholders. Thirdly, universities and association are identified as stakeholder by construction companies.

In a comparison with Carroll’s (1991) matrix of stakeholders and responsibilities, for the construction industry in Vietnam there are four kinds of stakeholders which have not been specifically suggested or identified in his matrix; namely universities, associations, end-users and management teams. Including those identified stakeholders provides a more detailed matrix to implement in stakeholder management in the construction industry in Vietnam. Table 6.2 presents the revised
matrix for the Vietnamese construction industry, with the newly identified stakeholders highlighted.

Table 6.2: Revised Stakeholder/Responsibilities Matrix for the construction sector in Vietnam, adapted from Carroll (1991)

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Types of CSR</th>
<th></th>
<th></th>
<th></th>
<th>Other types</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Economic</td>
<td>Legal</td>
<td>Ethical</td>
<td>Philanthropic</td>
<td></td>
</tr>
<tr>
<td>Customers/Investors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees and their families</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communities/neighbouring communities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local authorities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business partners (suppliers, sub-contractors, competitors)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management teams</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>End-users</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Associations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Universities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In terms of priorities in satisfying stakeholders, twenty one responses of interviewees are categorised into five areas. The result shows that managers’ understand that the influences of stakeholders on a firm’s businesses will decide the priorities which are set by companies to satisfying their stakes, claims, or interests. They prioritise the importance of stakeholders based on their power, rather than on their legitimacy. In other words, it can be concluded that they employ a management perspective in deciding priorities, rather than a CSR perspective (Carroll 1991). Figure 6.4 presents the priorities and the numbers of managers mentioning them.
Managers also expressed their understanding of stakeholders by stating stakeholders’ considerations in dealing with construction companies. Corporate capabilities and stakeholders’ issues are two issues found with respect to stakeholders’ considerations. Of the fourteen managers who answered this question, nine believe that corporate capabilities are paramount. This point is in accord with the finding of Susnienė and Vanagas(2006) about stakeholders’ requirements. Their study, addressing thirteen requirements of four primary stakeholders (customers, employees, community and shareholders), is based on how a firm balances its strengths and weaknesses. In contrast to these fourteen managers’ opinions, there are only five managers who mention stakeholders’ awareness of CSR as their consideration in dealing with construction companies. From this perspective, stakeholders use their understanding of CSR and their business philosophy as a reference to deal with construction companies. However, as mentioned in the literature review chapter, CSR is still a new concept for business organizations and for society in general. Construction companies whose customers are from developed countries or who have a well-developed understanding of CSR, have to illustrate their CSR-oriented manners. However, for construction companies whose customers do not have any awareness of CSR, CSR-oriented manners become their disadvantage because of the high cost of implementing CSR.

With reference to CSR literature in developing countries, as mentioned in Section 2.6, the existing studies investigating managers’ attitudes towards CSR were conducted by using quantitative approaches. In responding to the suggestion in Balasubramanian,
Kimber et al. (2005), in-depth interviews were used in the present study to investigate managers’ personal thinking of CSR. Here, in this study, the ordering of Carroll’s CSR pyramid is not focused, but the detailed components of CSR are prioritised to explore. Vietnamese managers perceive responsibilities of business quite properly in a comparison with four types of responsibilities in Carroll’s CSR pyramid. Apart from the components well-fitted to Carroll’s CSR pyramid, responsibilities to stakeholders (e.g. *no bad effect on society, improving awareness of society, and creating urban aesthetic*) and national responsibilities (i.e. *protecting territory*) appear as emerging themes identified in interviews with managers, for construction firms in a developing country like Vietnam. Among these emerging themes, identified components belonging to *Responsibilities to stakeholders* reflect a practical context of Vietnam. The limited awareness of CSR of people and business firms in general and the increasingly rapid development in construction are the particular business environment of construction firms and they lead managers to acknowledge their responsibilities while practicing their occupation. These CSR components have not appeared in CSR studies in the construction industry. In particular, *National responsibility* emerges in a special context of Vietnam, a developing country which has a long history of war and territorial disputes. This emerging responsibility in CSR components is a distinctly new theme.

With regard to CSR literature in the construction industry, this study contributes to fill the gap in CSR literature in analysing individual managers’ perceptions and understanding of CSR. *Responsibilities to Stakeholders* are also considered as a new identified responsibility (for a particular context of the construction industry in Vietnam) which have not been explored and discussed in previous CSR studies conducted in the construction industry. A worthy point to note in Philanthropic activities (discussed in Section 2.7.4) is that, to Vietnamese managers, charity should be practiced right at the firm and with construction firms’ huge workforce.

To sum up, Vietnamese managers’ perceptions of CSR, which were explored in this study, included managers’ understanding of CSR, companies’ reasons for practicing CSR, and their awareness of stakeholders. Regarding managers’ understanding of CSR, their perceptions of economic and legal responsibilities coincide with Carroll’s (1991) explanation of these two categories of responsibilities. In terms of ethical and philanthropic responsibilities, some issues mentioned by respondents do not fit in
Carroll’s (1991) categories, such as charity begins at firms or personal ethical awareness. In particular, the group Other types of responsibilities combines with some overlaps with four kinds of responsibilities in Carroll (1991) and some new responsibilities which emerged in the context of Vietnam.

Accompanying those understanding of CSR, economic forces are an obvious reason for companies to adopt and practice CSR. The matrix of stakeholders/responsibilities in Carroll (1991) was adapted for the construction sector in Vietnam. Additionally, stakeholders’ considerations in dealing with construction companies are also recognized and corporate capabilities are stated by managers as paramount issues.

### 6.2.2 Research question 2 – Factors influencing the way managers perceive CSR

One significant difference of this study from previous ones is that it explored how managers’ perceptions of CSR are shaped and influenced. In particular, it also examined which factors have an influence on managers’ understanding of CSR. Four factors with twelve sub-categories were identified, and five of these sub-categories were identified as having decisive impact on managers’ perceptions of CSR. All factors and sub-categories are presented in Table 6.3.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Sub-category</th>
<th>Frequency</th>
<th>Stronger influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Education</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reading books</td>
<td>3</td>
<td>X</td>
</tr>
<tr>
<td>Working life</td>
<td>Working experience</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Direct supervisor</td>
<td>5</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Foreign contractors</td>
<td>4</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Successful business</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Personal issues</td>
<td>Family</td>
<td>2</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Personal experiences</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Religion and political aspects</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Historic past</td>
<td>1</td>
<td>X</td>
</tr>
<tr>
<td>Other interactions</td>
<td>Social relationships</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Information from the media and professional seminars</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

The study identified a range of sub-categories which form and influence managers’ perceptions of CSR. Some of the sub-categories, such as education or working experience, were mentioned by many interviewees. Some other sub-categories, such
as historic past or successful business, influenced some respondents only. The interviews also identified five sub-categories, which were stated by interviewees as having the strongest impact on their perceptions. Figure 6.5 shows all sub-categories with their frequency and stronger sub-categories (in red).

![Sub-categories and ones having stronger influence on Vietnamese managers' perception of CSR](image)

The study did not find unique determinants of respondents’ understanding of CSR that every respondent agreed upon. The factors influencing individual perceptions of CSR are quite diversified between respondents. To some individuals, some factors have a stronger impact than others. These stronger impacts come from their personal context. For example, for managers who used to work or cooperate with foreign partners, foreign contractors have strong influences. However, to managers who have never worked in such circumstances, that factor does not have any influence on their understanding of CSR. So, the study cannot conclude those five sub-categories are determinants of Vietnamese managers’ perceptions of CSR.
Notably, the study identified that education and working experience are the two sub-categories that have the greatest impact on managers’ perceptions. It should be noted that all respondents are well-educated; they all graduated from well-known universities. Therefore, education is a factor impacting their understanding. Besides education, because of the requirement of experiencing in all lower management position, working experience is one factor shaping managers’ perceptions of CSR. Even though none of managers mentioned education or working experience as the strongest influence on their perceptions of CSR, these two sub-categories were stated by a larger proportion of managers (eleven and thirteen for education and working experience, respectively). Therefore, education and working experience may constitute a background to managers’ perceptions of CSR and other issues.

With reference to the literature, there is one study which was conducted by Rashid and Ibrahim (2002) to examine how CSR was perceived by Malaysian managers. The authors point out that they examined the factors determining managers’ attitudes towards CSR. In the results section, the authors discuss seven factors: family upbringing, traditional beliefs and customs, common practices in industry, school or university training, conduct of superiors, religious training and conduct of peers. In their article, the authors explain that these factors refer to the earlier study conducted by Gill and Leinbach (1983) in Hong Kong. Gill and Leinbach (1983) also mentioned and examined these seven factors, but did not explain where they come from.

Based on findings from the extensive literature review, it appears that, the present study is the first to explore factors influencing managers’ perceptions of CSR. Two common factors mentioned by a large proportion of managers were education and working experience. In particular, the study identifies two sub-categories, direct leader and foreign contractor, as having a stronger influence on some managers than on others. Those sub-categories help to explain the differences in their perceptions of CSR, which will be discussed next.

6.2.3 Research question 3 - Differences in managers’ perceptions and reasons for these differences

Another aim of this study was to identify the differences in managers’ perceptions and the reasons for these differences. Even though participants of this study are middle and senior managers, the researcher did not any differences between their perceptions
of CSR. In the end, as presented in Section 5.3, there are four key differences in Vietnamese managers’ perceptions of CSR and stakeholders. The differences in their perceptions are based on the comparisons between different types of ownerships, sectors, manager’s ages and whether they have worked for foreign projects. Key differences are perceptions of the environment, subjects fulfilling ethical responsibilities, corporate culture as the root of CSR, stakeholders, and attitudes towards obeying laws.

The environment, ethical responsibilities relating to organizational ethical issues, perceiving end-users and competitors as stakeholders, and corporate culture as the root of CSR are the differences in the understanding of managers’ from private companies. The differences are presented in Table 6.4. In spite of the fact that corporate culture as the root of CSR is stated by sub-contractor managers, as presented in Section 5.4.4, those managers are from private corporations.

<table>
<thead>
<tr>
<th>Characteristics of managers</th>
<th>None</th>
<th>Managers in contractors</th>
<th>Sub-contractor managers</th>
<th>Managers having MBA degree</th>
</tr>
</thead>
</table>
| **Private managers**        | -Ethical responsibilities relating to organizational ethical issues  
-Perceptions of environment  
-Prestige and reputation | Perceiving end-users and competitors as stakeholders | -Corporate culture as the root of CSR  
-Influences of construction sites on communities | |
| **State Managers**          | Personal ethical awareness | | | Prestige and reputation |
| **Managers over 55 years old** | -CSR is obeying laws  
-Belief in Communist legislation  
-National responsibility | | | |

The main difference between state and private companies is that they are supported by parent corporations or local authorities in assigning construction works, especially in bidding projects funded by governmental budgets. As identified by Luu, Kim et al. (2008), in Vietnam, the main customers of construction companies are government and foreign investors. Hence, state companies have advantages and, seemingly, competitive pressure on state companies is not so serious. One more characteristic of state firms is that the management board, especially top managers, are always
appointed by local authorities or parental companies and they are influenced by assigned terms and assigned duties. Business plans of state firms are mainly dependent on those of parent corporations. Effects of characteristics of state firms impact state managers’ perceptions of business and CSR. For example, one of those effects is that none of the managers from state companies mentioned competitors as a stakeholder.

Meanwhile, private companies do not have advantages as state ones do; they have to compete by using their own capabilities in the market. In order to survive and develop in the competitive construction sector, they have to meet all requirements from different stakeholders, such as customers or local communities. Furthermore, in private companies, all business strategies or organizational behaviours are decided and managed by the company leaders. They are the ones whose responsibility is to ensure all aims of the company are being reached and have influence on the corporate culture (Valentino 2004; Schein 2012). This point helps to explain private managers’ mention of organizational ethical issues. Moreover, it is also useful to explain why sub-contractor managers, who are also working in private companies, mentioned CSR as their company’s culture or behaviours.

The study also investigated the differences in perceptions of managers who are over 55 years old. Managers who are over 55 years old have a strong belief in laws and equated obeying laws with practicing CSR. Especially, following the guidance of Communist legislation and National responsibility are two issues which are emphasised. It is worthy of note that this is distinctive in the context of Vietnam, which has had a long difficult time with various wars.

In brief, there are quite clear differences in CSR perceptions of managers working in private and state companies. The reasons for the differences are rooted in different manners of operating business, and pressures on private and state companies. Other differences are in the perceptions of managers who are over 55 years old. The sources of this understanding are respondents’ experiences in wars and their knowledge and belief in the Vietnamese Communist Party.
6.2.4 Research question 4 – Managers’ views on their companies’ conducting CSR

One point should be noted. This study does not evaluate actual CSR performance, only that from the participants’ viewpoints. This research question was to find motives for, and obstacles to, practicing CSR, roles of managers in CSR, ways to disseminate CSR and to train in CSR, and CSR performance in construction companies.

Regarding motives for CSR, the study found two drivers, economic reasons and personal leader reasons, leading construction companies to pursue CSR activities. First, economic reasons were mentioned by twenty out of twenty one managers with a variety of explanations such as financial benefits, better and sustainable business, and more competitive advantages. Respondents’ opinions correspond to arguments and findings in previous studies (Davis 1973; Ostlund 1977; Graafland and Mazereeuw-Van der Duijn Schouten 2012). Economic reasons are also about corporate image, brand or reputation, which echo the analysis by other scholars (Davis 1973; Hemingway and Maclagan 2004; Dahlsrud 2008; Hine and Preuss 2009; Pedersen and Neergaard 2009). Secondly, motives from personal leaders are stated by four senior managers. Leaders are concerned with how factors in CSR are implemented in companies. This point matches the discussions of other researchers (Hemingway and Maclagan 2004; Hine and Preuss 2009; Duarte 2010).

With respect to obstacles to CSR, the findings that the obstacles are economic issues, competition pressure, HR issues, management, understanding of CSR, and the macro environment. These barriers can be categorized into internal and external issues. The internal barriers include economic issues, HR issues and management; the others are external obstacles. Most of those obstacles align with the findings of previous scholars (see Table 6.5). For example, previous studies (Pedersen and Neergaard 2009; Faisal 2010; Arevalo and Aravind 2011) also identify economic issues as a barrier. Nevertheless, and as distinguished from these studies, in this research, as analysed in section 5.4.1.2, interviewees stated that there are difficulties for managers to implement CSR in business practice in Vietnam. They have to balance CSR requirements in construction practice without having the benefit of much previous lessons or experiences, and in a highly competitive environment. Similarly, from the
views expressed by interviewees, managers also face difficulties in disseminating CSR to their employees.

Table 6.5: Obstacles corresponding with findings of previous studies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic issues</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Competitive pressure</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR issues</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Macro environment</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Understanding of CSR</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

As mentioned in Section 2.5.1, Mintzberg (1973) identified ten managerial roles, namely: leader, liaison, and figurehead in informational roles; monitor, disseminator, and spokesperson in informational roles; entrepreneur, disturbance handler, resource allocator, and negotiator in decisional roles. In this study, actual roles of managers in CSR in construction companies, which were identified in interviews, consist of eight roles. They align with five of ten managerial roles of Mintzberg. These roles are figurehead, liaison, and leader in interpersonal roles; disseminator in informational roles; and entrepreneur in decisional roles (see Figure 6.6).

![Figure 6.6: Managers’ roles in CSR](image-url)
As mentioned above, CSR is still quite a new concept in Vietnam and not many companies have adopted CSR in their business. Hence, managers do not have many examples of the roles of managers in CSR. Amongst mentioned roles, being an example; and orienting and training employees are stated most frequently. Meanwhile, other roles are mentioned by one or two managers only. Particularly, all roles are based on the view of meeting the interests of firm’s stakeholders. Such roles are referred to as organization-centred roles (Hung 2011). Four out of eight activities echoed organization-centred roles which, in the study by Hung (2011), consist of direction-setting roles and guardian roles. The echoes are presented in Table 6.6.

<table>
<thead>
<tr>
<th>Identified roles</th>
<th>Echoes with Hung (2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being an example</td>
<td></td>
</tr>
<tr>
<td>Persuading owners (if manager is not owner)</td>
<td></td>
</tr>
<tr>
<td>Lifting the spirit of employees</td>
<td></td>
</tr>
<tr>
<td>Orienting and training employees</td>
<td>Direction-setting role</td>
</tr>
<tr>
<td>Dissemination</td>
<td></td>
</tr>
<tr>
<td>Implementing ideas of top managers</td>
<td>Direction-setting role</td>
</tr>
<tr>
<td>Developing business strategies (cover CSR issues)</td>
<td>Direction-setting role</td>
</tr>
<tr>
<td>Controlling working process</td>
<td>Guardian role</td>
</tr>
</tbody>
</table>

With regard to ways to disseminate CSR and to train in CSR, formal communication channels, informal communication channels, and HR functions with eight activities are employed in construction companies (see Figure 6.7). As mentioned in Section 5.4.3, all companies communicate with their employees by formal channels. Regular meetings are mostly chosen as an official means to diffuse information, CSR information included. Informal communication channels are also used to spread CSR knowledge and for CSR implementation. Most of the senior managers in the study (ten out of twelve) have used, and mentioned, activities of informal communication channels as useful means. Because of certain characteristics of the construction industry, among the mentioned activities is socialising, including drinking, as a channel to disseminate CSR and train in CSR. Lastly, in terms of HR functions, training is considered to be a tool to help management to diffuse CSR.

As to CSR performance, only six respondents in five companies are satisfied with what their companies have done. As presented in Section 5.4.4, not all managers were willing to give answers. Their reasons were their lack of information about CSR in
their companies and in the sector. Similarly, one middle manager and three senior managers refused to do a comparison of their company with other companies because of their lack of information. Once again, it can be argued that CSR is still a new concept in Vietnam and CSR information, in the construction sector, is meagre. Some companies, which are highly evaluated by their managers, are large contractors. However, respondents are also aware that their company’s need to change continuously to be more responsible.

In summary, some findings of the study about CSR implementation in construction companies are in alignment with the analyses of previous studies. Those alignments are about drivers for CSR, and five of six obstacles to CSR. The obstacles from management have not been noted in previous literature. Similar to drivers for CSR, the roles of managers in CSR and ways to diffuse CSR fit well with management theories. Finally, evaluating CSR performance in construction companies shows that CSR is new, and there is a lack of information of CSR in Vietnam.
6.3 Implications and managerial recommendations

6.3.1 Implications of research findings

The research findings have some key implications for understanding CSR. First, besides refining the CSR pyramid of Carroll (1991), this study has added new responsibilities to the pyramid. The findings contribute to CSR literature, especially about CSR in developing countries. Moreover, the findings provide a better understanding of managers’ awareness of different types of responsibilities. Most of the identified responsibilities, such as HR issues or responsibilities to stakeholders, emerge from a general business context. On the other hand, national responsibility is from the context of Vietnam. The study also found reasons that motivate companies pursuing CSR. In particular, the study refines the stakeholder/responsibilities matrix of Carroll (1991) by identifying stakeholders of Vietnamese construction companies.

Secondly, a significant contribution of this study to the literature is the exploration of factors forming and influencing managers’ perceptions of CSR. Identifying background factors helps to explain and to increase managers’ awareness of CSR.

Thirdly, the study found differences between managers’ perceptions of CSR. The sources of these differences combine with background factors mentioned above to provide a comprehensive understanding of managers’ perceptions of CSR. This will help in the development of CSR programs and in the formulation of CSR policies for the construction industry.

Fourthly, the outcomes from managers’ evaluations of CSR implementation are also contributions to the literature on motives for, and barriers to, CSR. Additionally, the results of other assessments of CSR practices in construction companies show that, in a developing country like Vietnam, CSR is still a new concept and there is a lack of information of CSR.

6.3.2 Recommendations from research findings

Some worthy issues are drawn from the research findings. First, as discussed above, education is one of two background factors influencing managers’ perceptions of CSR. Not only in the construction sector, but also in other sectors, most of the managers are graduates and some of them have master degrees. However, currently, CSR has not been taught or has been poorly taught in undergraduate and graduate
programs in universities. According to the findings of Thang (2008), 57% of graduate-student-respondents never or few times heard about CSR and up to 80% of those never had any training in CSR. Reviewing curricula of four majors in two different universities in Vietnam shows that there are neither courses nor units or readings about CSR (Hochiminh city University of Technology 2010; Hochiminh city International University 2012). Hence, it is necessary to develop a curriculum for CSR education. More specifically, there should be modules on CSR which are added to professional subjects, rather than one subject on CSR. Students need to be trained in CSR in every subject, step by step so that their knowledge of CSR is enhanced before they enter the workforce. Universities can find the supports to develop CSR curriculum and teaching materials from international organizations operating in Vietnam, such as the Global Compact Network Vietnam or United Nations Industrial Development Organization. Besides the role of universities in training in CSR, professional associations’ participation in providing updated information for universities is very important. With a role as communication centres, professional associations have valuable resources to help universities develop CSR modules, especially those for graduate students.

Secondly, work experience is also found to be a foundation factor impacting on managers’ perceptions of CSR. Job descriptions and job specifications of common positions in construction sectors should be developed in detail in order to provide persons in charge with sufficient information and requirements about their responsibilities, including those relating to CSR, which is appropriate to their positions.

As discussed earlier, there is diversity in managers’ perceptions of CSR and all managers have to experience lower management positions. Hence, it is necessary to set common standards for all prevalent management positions in the construction industry. Standards will help construction companies orient behaviour and activities of acting managers towards CSR implementation.

Thirdly, the clarification of stakeholders of construction companies can be used to develop and formulate training sessions in business organizations. From the interviews, effects of construction corporations on end-users are recognized by some managers only. Hence, not only employees, but also management levels need to be trained in this issue. Training sessions can be organized by professional associations.
for the industry, or HR departments and management boards of companies can establish and manage internal seminars to provide and instruct their employees and management levels about stakeholders and their expectations. A comprehensive understanding of stakeholders will help companies identify, balance, and satisfy their requirements and achieve a better business result.

Fourthly, the findings of differences in managers’ perceptions of CSR indicate that it is managers in private companies who have a better awareness of responsibilities that businesses have towards society and the role of corporate culture as a root for CSR. The comparison of managers’ perceptions of CSR may assist government, local authorities and parent corporations make and apply policies which apply to business organizations and change their operating manners. A system of fair and appropriate rules and policies is necessary, especially those that apply to bidding for construction projects and to developing a competitive and healthy environment. In addition, encouragement from government and recognition of companies which perform CSR well is also pivotal in order to support business organizations adopt CSR in their operations.

Fifthly, the study affirms the lack of CSR information in Vietnam (Hamm 2012). As mentioned in section 5.4.4, interviewees did not want to give their answers to the questions “Are you satisfied with what the company has done relating to CSR?” and “How do you think your company rates against other companies in the industry?”. The reason for not giving the answer is that either they did not know or they did not have information to compare. Therefore, it is necessary to develop and organize industrial information gates. Those gates, which should be organized by sectors, should be responsible for providing business organizations with the necessary information about CSR in general and in the construction sector as well. In order to act on this recommendation, professional associations should be re-engineered. There should be participation from acting managers, rather than from retired managers. Information gates will help associations to update current CSR situations and information. Moreover, the role of information gates is ineffective unless professional associations can engage business organisations and represent business organisations. Professional associations can perform their duty of disseminating CSR information to companies. Besides providing CSR information, professional associations should also
give instructions to business organizations so that they can implement CSR in practice.

6.4 Limitations of the study and recommendations for further research

6.4.1 Limitations of the study

There are some limitations of this study. First, this study provided detail about Vietnamese managers’ understanding of CSR by identifying all responsibilities towards society that they think business organizations must fulfil. As a result, the CSR pyramid of Carroll (1991) has been refined and extended with supplementary responsibilities with the information from twenty one in-depth interviews. However, such a small sample can be used only to explore the studied subjects, rather than to generalize and frame the CSR concept in the context of other developing countries.

Secondly, managers’ perceptions of stakeholders have been limited to identifying who are construction company stakeholders and what those stakeholders consider in dealing with construction companies. However, those considerations were drawn from personal opinions of managers. Therefore, there is a lack of practical information about requirements/expectations from the views of stakeholders. Moreover, even though, this study investigated stakeholders’ considerations in dealing with construction companies, it has not explored whether managers’ perceptions of CSR are impacted by those considerations. Perhaps research on this issue could better explain the linkage between perceptions of CSR and those of stakeholders.

Thirdly, according to the literature, in order to evaluate CSR performance of firms, the model of Wood (1991) should be employed. Nevertheless, the main purpose of this study was to explore managers’ perceptions of CSR, not to evaluate the performance of CSR activities. When asking respondents how CSR is performed in their companies, the study did not base its methodology on the model of Wood (1991). Therefore, CSR performance in construction companies is still broad, and lacks detail.
6.4.2 Recommendations for further research

As mentioned in the literature review chapter, little is known of CSR practice in
developing countries (Amaeshi, Adi et al. 2006; Jamali and Mirshak 2007; Visser
2008; Dobers and Halme 2009). Therefore, research on CSR in a developing country
like Vietnam is necessary in order to investigate this issue further. This study refined
and extended the CSR pyramid of Carroll (1991) qualitatively and the extended
pyramid needs to be confirmed by quantitative studies in different sectors with larger
sample sizes. By doing so, identified responsibilities and the extended pyramid can be
framed and generalized.

The issue of stakeholders is also an interesting area for further research. It is
recommended that actual expectations of stakeholders need to be explored. In the
scope of CSR, the impact of stakeholders’ expectations on managers’ perceptions of
CSR and CSR practices is worthy of study.

The study explored factors influencing managers’ perceptions of CSR. A quantitative
study is recommended to verify those factors. Moreover, it is also useful to identify
determinants of managers’ perceptions of CSR. An empirical verification will
contribute to enhancing CSR awareness and knowledge in the workforce.

6.5 Conclusion

The main purpose of this study was to explore managers’ perceptions of CSR. The
study framework is based on the CSR pyramid of Carroll (1991). The driver of the
study was the gap in CSR literature, especially the literature in developing countries.
Vietnam is a developing country where CSR is still an emerging concept and there is
little known about CSR in Vietnam. One point to note is that this study employed the
actual managers, rather than business students as in previous studies. As a result, CSR
perceptions of Vietnamese managers were not limited to four categories of
responsibilities, but extend beyond the pyramid of Carroll (1991).

The four categories of responsibilities in Carroll (1991) are still core values in
managers’ perceptions of CSR. In addition to what is explained by Carroll, economic
and legal categories have been refined and ethical and philanthropic categories have
been added different points of view. The refined CSR pyramid in the Vietnamese
construction sector contributes to the synthesis of the limited CSR literature in
developing countries. The refined pyramid also involved filling gaps in the current CSR literature.

This study demonstrates that even though the term CSR has been known in Vietnam for some years, it is still new and unfamiliar to managers. Additionally, in the context of Vietnam, managers, who are strongly influenced by the national history, have a distinctive awareness of responsibilities and a strong belief in the Communist Party.

The current literature has not discussed and explained how managers’ perceptions of CSR are formed or influenced. This point is significant if there is to be a change or enhancement in perceptions about CSR. This study sought to explore factors influencing managers’ perceptions of CSR; CSR does not only need to be taught in colleges and universities, but also in business organisations and through work experience.

The comparison between managers’ perceptions of CSR and stakeholders in Chapter 5 provided clues about state companies’ operational manners, which have impacted importantly on managers’ understanding of business practice. The support and orders of government, local authorities and parental corporations continues to play a role in limiting managers’ perceptions of CSR and stakeholders in state corporations.

As mentioned in the introduction chapter, CSR resources and information have been provided by the CSR Vietnam forum (http://www.csrvietnamforum.net) from 2005 and some other projects funded by NGOs (such as http://wwwcsr-weltweit.de by the European Commission’s Switch-Asia-Program). The research presented in this thesis indicates that those activities are insufficient, and the lack of CSR information is an issue, which is worth noting by the Vietnamese government.

This study is exploratory research on CSR in Vietnam and it is therefore necessary to undertake more projects to verify the findings. This will help to enrich the CSR literature and establish a framework for research on CSR in other developing countries.
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APPENDICES
### Appendix 1: ISSUES INVOLVED IN CSR DEFINITIONS

<table>
<thead>
<tr>
<th>Involved issues</th>
<th>Authors/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Something wider than profit-making</td>
<td>Davis and Blomstrom (1966)</td>
</tr>
<tr>
<td>Profit-making and concern for social issues</td>
<td>Davis (1960); Frederick (1960); Committee for Economic development (1971), Stein (1971); Eells and Walton (1974); Backman (1975)</td>
</tr>
<tr>
<td>Economic, legal activities and responsibilities beyond these obligations</td>
<td>McGuire (1963); Davis (1973)</td>
</tr>
<tr>
<td>Voluntary activities</td>
<td>Walton (1967); Eilbert and Parket (1973), McWilliam and Siegel (2001)</td>
</tr>
<tr>
<td>Profit-making and stakeholders</td>
<td>Johnson (1971); Jones (1980)</td>
</tr>
<tr>
<td>Economic and voluntary activities</td>
<td>Manne and Wallich (1972)</td>
</tr>
<tr>
<td>Legal responsibility</td>
<td>Dalton and Cosier (1982)</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>Epstein (1987)</td>
</tr>
<tr>
<td>Social issues</td>
<td>Fitch (1976); Pinney (2001)</td>
</tr>
<tr>
<td>Social issues and stakeholders</td>
<td>Foran (2001); Lea (2002); Andersen (2003)</td>
</tr>
<tr>
<td>Economic, voluntary, social activities and stakeholders</td>
<td>CSRwire (2003); Hopkins (2003); Commission of the European Communities (2001)</td>
</tr>
<tr>
<td>Profit-making, obeying the law, ethical and discretionary activities</td>
<td>Carroll (1979)</td>
</tr>
</tbody>
</table>
### Appendix 2: THE DEVELOPMENT IN DEFINING CSR

<table>
<thead>
<tr>
<th>Period</th>
<th>Involved issues</th>
<th>Definitions</th>
<th>Authors and Year</th>
<th>Cited in</th>
</tr>
</thead>
</table>
| **Progressive Era (Before 1950)** | - Post-game philanthropy  
- Pre-game legal constrain  
- In-game moral conduct | None | None | (Windsor 2001) |
| **Modern Era of CSR: the 1950s** | Somewhat wider than profit-making | 'It refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in term of the objectives and values of our society' | Bowen in 1953 | (Carroll 1999, p.270) |
| **CSR literature expands: the 1960s** | - Long-run economic  
- Paying back for socially responsible outlook  
- Economic activities  
- Expectations of the public  
- Economic and legal obligations  
- Responsibilities beyond these obligations  
- Economic and technical interest  
- Beyond these interest  
- Voluntary of the firm | 'businessmen’s decisions and actions taken for reasons at least partially beyond the firm’s direct economic and technical interest'  
'Social responsibilities mean that businessmen should oversee the operation of an economic system that fulfils the expectations of the public. And this means in turn that the economy’s means of production should be employed in such a way that production and distribution should enhance total socio-economic welfare.'  
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’  
'SR refers to a person’s obligation to consider the effects of his decisions and actions on the whole social system. Businessmen apply SR when they consider the needs and interest of others who may be affected by business actions. In so doing, they look beyond their firm’s narrow economic and technical interests.’  
'The new concept of SR recognizes the intimacy of the relationship between the corporation and society and realizes that such relationship much be kept in mind by top managers as the corporation and the related groups pursue their perspective goals’ | Davis in 1960  
Frederick in 1960  
McGuire in 1963  
Davis and Blomstrom in 1966  
Walton in 1967 | (Carroll 1999, p.271)  
(Carroll 1999, p.271)  
(Carroll 1999, p.271)  
(Carroll 1999, p.272)  
(Carroll 1999, p.272) |
| **Definitions of CSR proliferate: the 1970s** | - the same ideas as those in 1960s and earlier  
- Profits for stockholders  
- Responsibilities with employees | None | Heald in 1970 | (Carroll 1999) |
<p>| | | None | Johnson in 1971 | (Carroll 1999) |</p>
<table>
<thead>
<tr>
<th>suppliers, dealers, local communities, and the nation</th>
<th>A three concentric circles definition of SR; the inner circle, the intermediate circle and the outer circle</th>
<th>Committee for Economic Development in 1971</th>
<th>(Carroll 1999)</th>
</tr>
</thead>
<tbody>
<tr>
<td>-economic function</td>
<td>None</td>
<td>Stein in 1971</td>
<td>(Carroll 1999)</td>
</tr>
<tr>
<td>-awareness of changing social values and priorities</td>
<td>‘...a condition in which the corporation is at least in some measure a free agent. To the extent that any of the foregoing social objectives are imposed on the corporation by law, the corporation exercises no responsibility when it implements them’</td>
<td>Manne and Wallich in 1972</td>
<td>(Carroll 1999, p.276)</td>
</tr>
<tr>
<td>-improving social environment</td>
<td>‘It is the firm’s obligation to evaluate in its decision-making process the effect of its decisions on the external social system in a manner that will accomplish social benefits along with the traditional economic gains which the firm seeks’</td>
<td>Davis in 1973</td>
<td>(Carroll 1999, p.277)</td>
</tr>
<tr>
<td>-economic function</td>
<td>None</td>
<td>Eilbert and Parket in 1973</td>
<td>(Carroll 1999)</td>
</tr>
<tr>
<td>-social interests</td>
<td>None</td>
<td>Eells and Walton in 1974</td>
<td>(Carroll 1999)</td>
</tr>
<tr>
<td>-economic returns</td>
<td>‘SR usually refers to the objectives or motives that should be given weight by business in addition to those dealing with economic performance (e.g. profit)’</td>
<td>Backman (1975)</td>
<td>(Carroll 1999, p.279)</td>
</tr>
<tr>
<td>-voluntary</td>
<td>None</td>
<td>Bowman and Haire in 1975; Holmes in 1976</td>
<td>(Carroll 1999)</td>
</tr>
<tr>
<td>-issues beyond the economic, technical and legal requirements</td>
<td>None</td>
<td>Fitch in 1976</td>
<td>(Carroll 1999, p.281)</td>
</tr>
<tr>
<td>-not spoiling the neighbourhood</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-voluntary to help solve neighbourhood problems</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-social needs and goals beyond the economic</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-economic performance</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-improving quality of life</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Empirical studies on CSR</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analysis of annual reports including social involvement categories</td>
<td>None</td>
<td>Abbott and Monsen in 1979 (Carroll 1999)</td>
<td></td>
</tr>
<tr>
<td>-Make profit</td>
<td>‘The SR of business encompasses the economic, legal, ethic and discretionary expectations that society has of organizations at a given point in time’</td>
<td>Carroll in 1979 (Carroll 1999, p.283)</td>
<td></td>
</tr>
<tr>
<td>-Obey the law</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Ethical</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>-Discretionary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1980s: fewer definitions, more research and alternative themes</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>-voluntary</td>
<td>‘CSR is the notion that corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law and union contract’</td>
<td>Jones in 1980 (Carroll 1999, p.284)</td>
<td></td>
</tr>
<tr>
<td>-extending beyond the traditional duty to shareholders to other groups such as customers, employees, suppliers, neighbouring communities</td>
<td>None</td>
<td>Dalton and Cosier in 1982 (Carroll 1999)</td>
<td></td>
</tr>
<tr>
<td>-Legal-responsible</td>
<td>None</td>
<td>Strand in 1983 (Carroll 1999)</td>
<td></td>
</tr>
<tr>
<td>-social responsibility;</td>
<td>No new or unique definition of CSR</td>
<td>Drucker in 1984 (Carroll 1999)</td>
<td></td>
</tr>
<tr>
<td>-social responsiveness</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>-social environment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-converting SR into business opportunities</td>
<td>None</td>
<td>Cochran and Wood in 1984 (Carroll 1999)</td>
<td></td>
</tr>
<tr>
<td>Empirical study about social performance and financial performance</td>
<td>None</td>
<td>Aupperle et al in 1985 (Carroll 1999)</td>
<td></td>
</tr>
<tr>
<td>Empirical study about CSR and profitability</td>
<td>None</td>
<td>Wartick and Cochran in 1985 (Carroll 1999)</td>
<td></td>
</tr>
<tr>
<td>Framework of principles, processes, and policies</td>
<td>None</td>
<td>Epstein in 1987 (Carroll 1999, p.288)</td>
<td></td>
</tr>
<tr>
<td>-stakeholders</td>
<td>‘CSR relates primarily to achieving outcomes from organizational decisions concerning specific issues or problems which have beneficial rather than adverse effects on pertinent corporate stakeholders.’</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Carroll in 1991</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Frederick et al. (1992)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Carroll in 1994</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reeder in 1994</td>
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<td></td>
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<td>Hopkins in 1998</td>
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<td></td>
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<td></td>
<td>Khoury et al. in1999</td>
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<td></td>
<td></td>
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<td>Woodward-</td>
</tr>
</tbody>
</table>

The most important topics in CSR research are:

-CSP
-business ethics
-stakeholder theory

-CSR can be defined as a principle stating that corporations should be accountable for the effects of any of their actions on their community and environment.

‘An all-encompassing notion; social responsibility refers to both the way a company conducts its internal operations, including the way it treats its workforce, and its impact on the world around it.’

‘CSR in concerned with treating the stakeholders of the firm ethically or in a socially responsible manner. Stakeholders exist both within a firm and outside it. Consequently, behaving socially responsibly will increase the human development of stakeholders both with and outside the corporation.’

‘CSR is the overall relationship of the corporation with all of its stakeholders. These include customers, employees, communities, owners/investors, government, suppliers, and competitors. Elements of social responsibility include investment in community outreach, employee relations, creation, and maintenance of employment, environmental stewardship and financial performance.’

‘CSR has been defined as a ‘contract’ between society and business...’
wherein a community grants a company a license to operate and in return the matter meets certain obligations and behaves in an acceptable manner.'

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- voluntariness</td>
<td>- stakeholder</td>
<td>- social</td>
<td>- environmental</td>
<td>- economic</td>
<td>Piacentini et al. in 2000</td>
<td>(Dahlsrud 2008, p.10)</td>
</tr>
<tr>
<td></td>
<td>- voluntariness</td>
<td>- stakeholder</td>
<td>- social</td>
<td>- environmental</td>
<td>- economic</td>
<td>Commission of the European Communities in 2001</td>
<td>(Dahlsrud 2008, p.9)</td>
</tr>
<tr>
<td>Social</td>
<td>stakeholder</td>
<td>environmental</td>
<td>voluntariness</td>
<td>stakeholder</td>
<td>social</td>
<td>environmental</td>
<td></td>
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<tr>
<td>‘Actions that appear to further some social good, beyond the interest of the firm and that which is required by law.’</td>
<td>‘CSR can be defined as the set of practices and behaviours that firms adopt towards their labour force, towards the environment in which their operations are embedded, towards authority and towards civil society’</td>
<td>‘CSR can be roughly defined as the integration of social and environmental concerns in business operations, including dealings with stakeholders.’</td>
<td>‘CSR is defined as the integration of business operations and values, whereby the interest of all stakeholders including investors, customers, employees and the environment are reflected in the company’s policies and actions.’</td>
<td>‘CSR is concerned with treating the stakeholders of the firm ethically or in a responsible manner. ‘Ethically responsible’ means treating stakeholders in a manner deemed acceptable in civilized societies. Social includes economic responsibility. Stakeholders exist both within a firm and outside it. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation.’</td>
<td>‘We define corporate social responsibility broadly to be about extending the immediate interest from oneself to include one’s fellow citizens and the society one is living in and is a part of today, acting with respect for the future generation and nature.’</td>
<td>‘A commitment to improve community wellbeing through discretionary business practices and contributions of corporate resources.’</td>
<td>‘CSR’s critical incidents are environmental, ethical, and human right'</td>
</tr>
</tbody>
</table>

References:
- McWilliams and Siegel, in 2001
- Foran in 2001
- Leain 2002
- CSRwire in 2003
- Hopkins in 2003
- Andersen in 2003
- Kotler and Lee (2005)
- Våland and (Dahlsrud 2008, p.8)
- Våland and (Banerjee 2007, p.16)
| -ethical  
| -human right issues  
| -laws and beyond laws  
| -stakeholders and issues concerning them  
| -mandatory and voluntary  
| -economic  
| -legal  
| -beyond economic and legal  | issues that are in conflict with existing ideals and values.  
| None  
| ‘Corporate social responsibility as actions that appear to further some social good beyond the interest of the firm and that which is required by law.’  
| Hiede in 2005  
| Waagstein in 2011  
| Jean-Claude et al. in 2011  
| Heide 2005, p.496)  
| (Waagstein 2011)  
<p>| (Jean-Claude, Olivier et al. 2011, p.282)  |</p>
<table>
<thead>
<tr>
<th>Authors/Year</th>
<th>Studied Countries</th>
<th>Findings</th>
<th>Unit of analysis</th>
<th>Approach</th>
</tr>
</thead>
</table>
| (Wiig and Kolstad 2010) | Angola            | - CSR policies are not important to get contracts or licenses in Angola  
- Oil corporations use CSR activities as an influential factor to increase chances of getting contracts or licenses.  
- Governance issues cannot be addressed via CSR policies                                                                                                                                          | Firm             | Qualitative In-depth case study |
| (Belal 2001)          | Bangladesh        | Three categories of disclosures of CSR practices are examined:  
- Employee disclosures: companies in the study made some forms of employee disclosures which relate to employee costs, corporate directory, employee numbers and managerial remuneration.  
- Ethical disclosures relates to donations and subscriptions, sponsorship and advertising, customer relations and community involvement.  
- Other disclosures include value added statements, contributions to country, management appreciation of stakeholders’ contributions, information on non-resident shareholders and foreign currency transactions. | Firm             | Qualitative Content analysis   |
| (Duarte 2010)         | Brazil            | - The link between personal and organizational values in the context of CSR  
- The personal values of managers is cardinal to the enactment of CSR frameworks  
- There is a congruence between personal and organizational values  
- The commitment to organization of managers is expressed                                                                                                                                         | Individual (Managers) | Qualitative Thematic analysis |
| (Zu and Song 2009)    | China             | - CSR activities are more business-oriented and serve firm’s economic aims.  
- Firm’s productive features, rather than managers’ personal characteristics, determine managers’ CSR orientation.  
- Managers with higher CSR value would increase their firms’ total sales                                                                                                                          | Individual (Managers) | Quantitative Factor analysis   |
| (Kolk, Hong et al. 2010) | China          | - Local companies reports the CSR aspects included economic, environmental, and social issues. None of studied companies has a CSR report.  
- International companies report the same aspects but do not included taxation (in economic issues). None of them has a CSR report, but some have a CSR section.  
- The issues relating to CSR are product responsibility, supplier relations and environmental aspects.                                                                                           | Firm             | Qualitative Multiple case study |
| (Gao 2009)            | China             | CSR in China is in the beginning stage  
- Economic issues are the most important issues while the others are of less concern  
- Legal issues are paid attention on safety or products or services  
- Ethical issue is concerned with energy saving  
- Philanthropy is the issue of ‘donation to people in disaster’  
- Employees and stockholders are the most important stakeholders                                                                                                                                  | Firm             | Qualitative Content analysis   |
<table>
<thead>
<tr>
<th>Country/Culture</th>
<th>Method of data collection</th>
<th>Findings</th>
</tr>
</thead>
</table>
| China           | Individual (Consumers)   | - CSR is important and supported by customers  
- Chinese consumers can distinguish 4 categories of responsibilities of Carroll |
| China           | Quantitative Survey      | - 10 major drivers for CSR in developing countries identified are: cultural tradition, political reform, socio-economic priorities, governance gaps, crisis response, market access, international standardization, investment incentives, stakeholder activism and supply chain  
- Religious beliefs are one of the major motivations for CSR  
- Carroll’s pyramid is re-organized: economic-philanthropic-legal-ethical responsibilities |
| India           | ‘Method of agreement’ (Neuman 2005) | - The perceptions of CSR has been changed  
- The recognition of the strategic significance of CSR in India is increasing  
- CSR concerns moved from urban issues to rural ones  
- Obstacles and problems to implement CSR are identified |
| India (Dubai)   | Quantitative Survey      | - Positive association between CSR and financial performance  
- Positive association between CSR and employee commitment  
- Positive relationship between CSR and corporate reputation |
| Indonesia       | Individual (Consumers)   | - Indonesian consumers are not able to distinguish between economic, legal, ethical and philanthropic responsibilities.  
- Economic responsibility is placed higher than the remaining responsibilities and the philanthropic responsibility is paid more attention than are legal and ethical.  
- CSR is not considered when consumers do shopping  
- If quality and price is similar, they will support a CSR business |
| Lebanon         | Qualitative Semi-structured interview | - CSR is perceived as philanthropic activities with community as a critical stakeholder  
- Economic, legal and ethical importance are not mentioned  
- Legitimacy and managerial discretion principles are the most frequently mentioned: CSR as a license for continued operation and philosophy of founder as critical in catalysing CSR |
| Lebanon and Syria | Quantitative Survey     | - Developing countries firms prioritize employees, customers and shareholders as the most important stakeholders (basing on their influence on firms’ performance)  
- Firms of developing countries limit the range of stakeholders  
- The attributes and pressure of stakeholders determine their priority to firms. Hence, environment is the lowest priority |
| Malaysia        | Individual (Managers)    | - Malaysian executives and managers had positive attitudes towards CSR, but the involvement in CSR is lower than in 1991  
- Family-upbringing and traditional belief and customs are the most influential factors |
<table>
<thead>
<tr>
<th>Country</th>
<th>Focus</th>
<th>Methodology</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>Legal and economic responsibilities are more important than ethical and discretionary responsibilities. Legal and economic responsibilities are equally important for a company’s survival. Ethical responsibility is less emphasized. Discretionary responsibility is least important.</td>
<td>Individual (Senior Managers)</td>
<td>Qualitative (mainly) Content analysis</td>
</tr>
<tr>
<td>Malaysia</td>
<td>Certain aspects of CSR are practiced. Multinational corporations are key players. Only philanthropy is regarded as CSR. SMEs in Malaysia will be disadvantaged if not ready for CSR.</td>
<td>National</td>
<td>Qualitative Inductive, theory-building study</td>
</tr>
<tr>
<td>Mexico</td>
<td>CSR is concerned as an issues for MNEs and large companies only. Labour relations are a priority CSR issue. Wage is not a commitment of business. Corruption is a problem. Lack of stakeholder engagement.</td>
<td>National</td>
<td>Qualitative In-depth interview</td>
</tr>
<tr>
<td>Nigeria</td>
<td>CSR was mainly seen from a philanthropic perspective and this view is affected by religious beliefs. Fewer demands remaining responsibilities on firms. The order of Carroll’s(1979) four categories of responsibilities in Nigeria: philanthropic, economic, legal and ethical.</td>
<td>Firm</td>
<td>Qualitative In-depth interview Content analysis</td>
</tr>
<tr>
<td>Pakistan</td>
<td>CSR is concerned as corporate philanthropy. Developed-country standards are employed. Financial performance is the most important responsibility. The top three important stakeholders are employees, customers and shareholders. Leaders know ‘what CSR is’, but not ‘how to do it’ and ‘why do it’.</td>
<td>Firm</td>
<td>Mixed method Questionnaire Semi-structured interview</td>
</tr>
<tr>
<td>Singapore</td>
<td>The understanding of CSR is limited to philanthropy. Dedicated CSR managers have higher level of awareness. Community investment is considered in strategy. The other issues: environment, employee and labour welfare, voluntary standards and certification, Top down pressure from government.</td>
<td>Individual (Managers)</td>
<td>Qualitative Content analysis Semi-structured interview</td>
</tr>
<tr>
<td>Taiwan</td>
<td>Although CSR does not increase immediate profitability, but CSR reduces the risk of damage to brand evaluations in the long run.</td>
<td>Firm</td>
<td>Quantitative Flawed analysis</td>
</tr>
</tbody>
</table>
APPENDIX 4: SEMI-STRUCTURED INTERVIEW QUESTIONS

**Section 1 – Personal background of participants**

1. Demographic information: Age, gender, religion, current position
2. Could you kindly advise your highest degree you attained? From which university/college? What was your major?
3. Have you worked for other companies before? If yes, what position? What were your responsibilities?
4. How long have you been working with this organization? Why did you come to this organization? How did you get your job here?
5. What are your previous positions in the organization?
6. What are your main duties and responsibilities associated with your current position? Who do you report to? Who reports to you?

**Section 2: Organization’s background**

1. Name of organization. Main areas of activities or specializations?
2. Major past projects. Major current projects
3. Number of employees, Organizational structure, Is there a company mission statement or philosophy?
4. Major achievement of successes of the organization (that you are proud of). Any awards? If so, which ones?
5. Major changes in the company since it started?
6. What are the major challenges that the organization has faced? What are the major current or future challenges?
7. Who are your main clients? How do you maintain good relations with your clients?
8. Is the organization a member of any business associations?

**Section 3 – CSR perceptions of participants**

**Awareness of CSR:**

1. What is your understanding of CSR?
2. In your opinion, what are the responsibilities of business toward society?

**Understanding of CSR:**

1. What, in your opinion, are the economic responsibilities of a business? Please give examples or your experiences.
2. What, in your opinion, are the legal responsibilities of a business? Please give examples or your experiences.
3. What, in your opinion, are the ethical responsibilities of a business? Please give examples or your experiences.
4. What, in your opinion, are the philanthropic responsibilities of a business? Please give examples or your experiences.
5. Summarize by asking respondents which if any of these responsibilities fall under the umbrella of corporate social responsibility.

**Understanding of stakeholders:**

1. Who are your companies’ stakeholders, from your point of view?
2. What are the priorities in satisfying these stakeholders?
3. How have your relationships with stakeholders changed over the last 10 years?
4. Is CSR a component of your relationships with any of these stakeholders? If so, please provide examples or experiences?
5. Have your relations with company stakeholders influenced your personal understanding of CSR?

**Understanding of practicing CSR in work:**

1. Is CSR necessary in business environment? Please give reasons for your answer.
2. What CSR practices does your organization employ? Please give examples supporting your answer.
3. Why does your organization practice CSR?
4. What is a good corporate citizenship company? Please define. (E.g.: doing what the law expects, providing voluntary assistance to charities and community, doing what is expected morally and ethically, being as profitable as possible)

**Why they perceive in the way they do:**

1. Where do your perceptions come from? Or what influences your view of CSR?
2. What people have had the strongest impacts on your understanding of CSR? (For example: teacher, family, writer, business associations …)

3. What experiences have had the strongest impacts on your understanding of CSR? (Ex: media, scandals from other industries, standards from clients/foreign partners …)

4. What have you learned personally about CSR from these experiences or people?

5. Have relations with or practice of other companies influenced how you perceive CSR?

Section 4 – CSR implementation in companies from participants’ personal view

1. Do you believe CSR is important to your organization? Why?

2. Can you provide examples of CSR activities carried out by your organization?

3. Who has been involved in CSR in your company?
   How have individuals been involved in CSR?
   Are there individuals who are leaders in promoting CSR?

4. In your opinion, what is the role of management in CSR?

5. Which aspects of CSR reported in annual report?

6. What is useful measure of CSR performance?
   How does your organization evaluate the effect of your organizations CSR activities?

7. In your opinion, has your organization learned about CSR. If so, what has it learned?

8. What do you think are or could be the main drivers of (reasons for) CSR in your company? For example:
   a) Legal, such as avoidance of government regulation
   b) Economic (e.g. profit, long-run self-interest, viability of business)
   c) Personal reasons of senior and middle managers (managers’ acknowledgement of CSR,)
   d) Community, such as socio-cultural norms
   e) Requirements from consumers/consultants
   f) Corporate image
   g) Labour management issues
   h) Managers’ personal values, such as: philanthropy and religious values; personal values and social changes; personal values and CSR
   i) Environmental issues

9. In your opinion, are there any barriers or obstacles in implementing CSR from external and internal environment? Please specify.
   a) Legal
   b) Economic (e.g. profit maximization, costs of social involvement)
   c) Personal reasons of senior and middle managers, such as lack of social skills, lack of accountability
   d) Community
   e) Lack of requirements from consumers/consultants
   f) The competition on costs in the industry
   g) Only costs, never benefits can be measured

10. What is your personal opinion about what your company has done relating to CSR activities?
    Are you satisfied with what the company has done?
    Has the structure or practices of your organizations changed because of CSR?

11. On a scale of 1-10 how do you think your organization performs in terms of CSR? (with 1 being the lowest and 10 being the highest)

12. How do you think your company rates against other companies in the construction industry?
    Are there companies that are leaders in CSR? If so, please name. Why do you think they are leaders?

13. How do you think CSR has changed in the construction industry in the last five years/in the next five years?

14. How does your company teach or train its managers and employees about CSR?

15. Do you think that companies should consult with or take advice from the community about the impacts of construction projects? Please give examples.
APPENDIX 5: VIETNAMESE MANAGERS’ UNDERSTANDING OF CORPORATE SOCIAL RESPONSIBILITY

A. WHAT IS CORPORATE SOCIAL RESPONSIBILITY?

<table>
<thead>
<tr>
<th>PHILANTHROPIC RESPONSIBILITIES</th>
<th>ETHICAL RESPONSIBILITIES</th>
<th>LEGAL RESPONSIBILITIES</th>
<th>ECONOMIC RESPONSIBILITIES</th>
<th>OTHER TYPE OF RESPONSIBILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Serving a specified community</strong></td>
<td><strong>Organizational ethical issues</strong></td>
<td><strong>Personal ethical awareness</strong></td>
<td><strong>Efficiency</strong></td>
<td><strong>Producing</strong></td>
</tr>
<tr>
<td>helping students (instructing internship, granting scholarship): H1</td>
<td>business ethics: E1, H1, F2, G2, C3</td>
<td>professional conscience: B1, A1, J2, K1, B2</td>
<td>sustainable development: E1, I1</td>
<td>providing good quality products: A1, E2, J1, G1, C2, A2</td>
</tr>
<tr>
<td>philanthropic responsibility: E1, K1, D1, B2, A2, F1, H2</td>
<td>spiritual responsibility: H1</td>
<td>Awareness: K1</td>
<td>effective operation; making profit: E1, G2, A1, K1, D1, E2, K2, G1, F1, H2, C2</td>
<td>completing projects as soon as possible: K1</td>
</tr>
<tr>
<td>if possible, doing charitable activities (not required): G2, B1, J1, G1, C2</td>
<td>do more than required, checking drawings (even though not their duties): F1, C2, H2</td>
<td>working with heart and virtue: F1</td>
<td>Not making profit, not fulfill responsibilities: H1</td>
<td>maintaining development of the company: H2</td>
</tr>
<tr>
<td>impact on surroundings: C3</td>
<td>regulatory compliance</td>
<td></td>
<td></td>
<td>creating assets (tangible benefits): B2</td>
</tr>
<tr>
<td>making benefit for/ being responsible for community: D1, I1</td>
<td>doing business honestly/transparency: C1, K1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### B. WHY COMPANIES NEED TO PRACTICE CSR?

<table>
<thead>
<tr>
<th>Leaders’ personal issues</th>
<th>Forces of society</th>
<th>Forces of market</th>
<th>Economic forces</th>
<th>Forces of supervisors</th>
</tr>
</thead>
<tbody>
<tr>
<td>a management method: H1</td>
<td>because construction industry employing a large workforce: E1</td>
<td>Customers' requirements: F2</td>
<td>polishing brand: E2</td>
<td>being requested by supervisors (charitable activities): A2</td>
</tr>
<tr>
<td>(manager's awareness) like to practice: E1, H2</td>
<td>more attention to CSR from people: E2</td>
<td>need customers and employees: G2</td>
<td>get much benefits in the long run: C3</td>
<td></td>
</tr>
</tbody>
</table>

### C. MANAGERS’ PERCEPTIONS OF STAKEHOLDERS

<table>
<thead>
<tr>
<th>Who are your companies’ stakeholders?</th>
<th>Priority in satisfying stakeholders</th>
<th>What stakeholders consider in dealing with your company?</th>
</tr>
</thead>
<tbody>
<tr>
<td>community/neighboring community: E1, H1, B1, J2, C3, I1, E2, B2, J1, K2, F1</td>
<td>Customer: H1, C3, D1, I1, A2, F1, C2</td>
<td><strong>Corporate capabilities</strong></td>
</tr>
<tr>
<td>customers/potential customers/investors: E1, C1, H1, F2, B1, G2, K1, A1, C3, I1, E2, A2, F1, H2, D1, B2, G1, K2, C2</td>
<td></td>
<td>Corporate brand/image/prestige/reputation: E1, B1, E2, B2, H2</td>
</tr>
<tr>
<td>employees &amp; family of employees: E1, C1, H1, F2, B1, G2, J2, A1, K1, D1, I1, E2, B2, J1, G1, A2, F1, H2</td>
<td>balance/no priority: B1, F2, A1, J1, G1, H2</td>
<td><strong>Stakeholders’ issues</strong></td>
</tr>
<tr>
<td>government/local authorities: H1, B1, J1, K2, C2, D1</td>
<td></td>
<td>contractors having the same working philosophy: C3</td>
</tr>
<tr>
<td>Universities: H1</td>
<td></td>
<td>stakeholders’ awareness of CSR: K1, I1, G1</td>
</tr>
<tr>
<td>Associations: H1</td>
<td></td>
<td>depending on each stakeholders: F1</td>
</tr>
<tr>
<td>Shareholder: B1, F2, A1, D1, J2, I1, E2, B2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>business partners (suppliers, sub-contractor…): B1, K1, D1, F1, J1</td>
<td>shareholder, then employees: G2, K1, B2, J1</td>
<td>a good organizational context (working environment, culture, mechanism), flexible policies: J2, B2, A1</td>
</tr>
<tr>
<td>Management team: K1, G1</td>
<td>Up to pressure from particular stakeholder: K2</td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td>-----------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>End-users: D1, C2</td>
<td>Professional capability: B1, B2, J1, C2</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX 6: FACTORS INFLUENCING VIETNAMESE MANAGERS’ PERCEPTIONS OF CSR

<table>
<thead>
<tr>
<th>THEMES</th>
<th>Factors influencing</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDUCATION</td>
<td>reading books</td>
</tr>
<tr>
<td></td>
<td>education</td>
</tr>
<tr>
<td>WORKING LIFE</td>
<td>* working experience (through time)</td>
</tr>
<tr>
<td></td>
<td>* working experience in state companies (the role of linking employees and owner) (H1)</td>
</tr>
<tr>
<td></td>
<td>* standing in others’ shoes (J2)</td>
</tr>
<tr>
<td></td>
<td>* learning from experienced seniors (C2)</td>
</tr>
<tr>
<td></td>
<td>learning from successful business</td>
</tr>
<tr>
<td></td>
<td>direct supervisor</td>
</tr>
<tr>
<td></td>
<td>foreign contractors (working methods)</td>
</tr>
<tr>
<td>PERSONAL ISSUES</td>
<td>family/parents</td>
</tr>
<tr>
<td></td>
<td>personal experiences in working, life</td>
</tr>
<tr>
<td></td>
<td>Religion (Buddhism) and politics (member of Communist party, influenced by philosophy of Ho Chi Minh and communism)</td>
</tr>
<tr>
<td></td>
<td>History</td>
</tr>
<tr>
<td>OTHER INTERACTIONS</td>
<td>social relationship (friends, teachers)</td>
</tr>
<tr>
<td></td>
<td>information from the media and professional seminars</td>
</tr>
<tr>
<td></td>
<td>no factor having strongest impact</td>
</tr>
</tbody>
</table>
## APPENDIX 7: CONDUCTING CSR IN THEIR COMPANIES

<table>
<thead>
<tr>
<th>ISSUES</th>
<th>CONTENT</th>
<th>MANAGER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roles of managers</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Interpersonal roles</strong></td>
<td><strong>Figurehead</strong></td>
<td>Being an example (by expressing attitudes, …)</td>
</tr>
<tr>
<td></td>
<td><strong>Liaison</strong></td>
<td>persuading owner <em>(if manager is not owner)</em></td>
</tr>
<tr>
<td></td>
<td><strong>Leader</strong></td>
<td>lift the spirit of employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>orienting &amp; training employees</td>
</tr>
<tr>
<td><strong>Informational roles</strong></td>
<td><strong>Disseminator</strong></td>
<td>dissemination</td>
</tr>
<tr>
<td></td>
<td></td>
<td>implementing ideas of top leader (middle and front-line managers)</td>
</tr>
<tr>
<td><strong>Decisional roles</strong></td>
<td><strong>Entrepreneur</strong></td>
<td>developing business strategy (which covers CSR issues)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>controlling working process</td>
</tr>
<tr>
<td><strong>N/A</strong></td>
<td>no roles</td>
<td>A2</td>
</tr>
</tbody>
</table>

| How to disseminate & train CSR | | |
| **Formal communication channels** | announcement (documents) | E1, F2, A1 |
| | meetings, talk show *(D1)*, periodical sharing experience (between employees) *(F1)* | E1, H1, F2, G2, D1, J2, I1, E2, J1, G1, F1, H2, B1, F1 |
| | rules, ISO standards | C3, H2 |
| **HR functions** | HR activities (training, orienting…) | D1, C2, F2, E2, J1, F1, H2 |
| | managing people | G2 |
| **Informal communication channels** | talking to employees | A1, J2, B1 |
| | parties/drinking | H2, B1 |
| | expressing working manner of leader (practice of managers) | C1, H1, G2, J2, C3 |

| Measure of CSR | | |
| | shown by acquired certificates (such as ISO, OHSAS, …) | F2 |
| | not clear, only feeling | E2 |
| | not having (as not having real practices) | E1, F2, G2, K2, H2, A2 |

<p>| Motivation for CSR | Economic reasons | benefit of individual (leader; employees) or economic benefit | C1, F2, G2, C3, E2, K1, B2, K2, G1, A2 |</p>
<table>
<thead>
<tr>
<th>Obstacles to implementing CSR</th>
<th>Personal reasons of leaders</th>
<th>scale of 1-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>better and sustainable business</td>
<td>personal reasons of leader, such as passion, ambition, being impacted by friends</td>
<td><strong>Average</strong> 5.5 or 6 at 5 <strong>Excellent</strong> around 8 over 9 8 or 9 <strong>Good</strong> 6 to 7 7 to 8</td>
</tr>
<tr>
<td>survival</td>
<td></td>
<td>B1, C1, F2, C3</td>
</tr>
<tr>
<td>corporate image/brand</td>
<td></td>
<td>G2, G1</td>
</tr>
<tr>
<td>corporate prestige</td>
<td></td>
<td>H1, C2</td>
</tr>
<tr>
<td>getting more advantages</td>
<td></td>
<td>F1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>F2, A1, D1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>K1, B2</td>
</tr>
<tr>
<td><strong>Economic issues</strong> economic factor</td>
<td><strong>Competition pressure</strong> real competition has not started (market is not strong) unfair competition</td>
<td><strong>HR</strong> HR issues (finding appropriate personnel, training, …) bad habits of personnel (not appropriate with industrial production)</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Macro environment</strong> inappropriate context in Vietnam no support from associations and parent corporation legal requirements are not clear</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Management</strong> have to balance benefits of stakeholders relations with all stakeholders difficulty in disseminating to employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Understanding of CSR</strong> owners and consultants donot understand rules perceptions/awareness of people about CSR ( in the company and in general)</td>
</tr>
<tr>
<td><strong>Personal reasons of leaders</strong></td>
<td></td>
<td><strong>Understanding of CSR</strong> owners and consultants donot understand rules perceptions/awareness of people about CSR ( in the company and in general)</td>
</tr>
<tr>
<td><strong>Economic issues</strong> economic factor</td>
<td><strong>Competition pressure</strong> real competition has not started (market is not strong) unfair competition</td>
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</tr>
<tr>
<td></td>
<td></td>
<td><strong>Macro environment</strong> inappropriate context in Vietnam no support from associations and parent corporation legal requirements are not clear</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Management</strong> have to balance benefits of stakeholders relations with all stakeholders difficulty in disseminating to employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Understanding of CSR</strong> owners and consultants donot understand rules perceptions/awareness of people about CSR ( in the company and in general)</td>
</tr>
<tr>
<td>Compared with others</td>
<td>Average</td>
<td>Excellent</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------</td>
<td>-----------</td>
</tr>
<tr>
<td></td>
<td>fairly good/average</td>
<td>in top companies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the best company</td>
</tr>
<tr>
<td></td>
<td></td>
<td>one of 10 best companies</td>
</tr>
<tr>
<td>Satisfying with CSR performance</td>
<td>satisfied, but not happy as need changing continuously</td>
<td>quite well</td>
</tr>
<tr>
<td>Listing good companies in CSR</td>
<td>Cofico</td>
<td>Coteccons</td>
</tr>
<tr>
<td></td>
<td>E1, D1, F1</td>
<td>E1, B1, II, F1, C2</td>
</tr>
<tr>
<td></td>
<td>CIE Sagon</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HoaBinh</td>
<td>E1, K1, D1, II, F1, C2</td>
</tr>
<tr>
<td></td>
<td>Holcim</td>
<td>H1</td>
</tr>
<tr>
<td></td>
<td>Viet Quang</td>
<td>G1</td>
</tr>
<tr>
<td></td>
<td>many companies having no reputation</td>
<td>B1</td>
</tr>
<tr>
<td></td>
<td>Thu Duc House</td>
<td>B1</td>
</tr>
<tr>
<td></td>
<td>Donot know</td>
<td>K2, G2</td>
</tr>
<tr>
<td></td>
<td>Unicons</td>
<td>E1</td>
</tr>
</tbody>
</table>

| How community is impacted by construction industry | construction relates to everything | C1 |

<table>
<thead>
<tr>
<th>CSR in the next 5 years</th>
<th>N/A</th>
<th>Becoming requirements</th>
<th>Changing from government</th>
<th>Changing in awareness</th>
<th>Changing in businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>no change as depending on social &amp; living standards, education</td>
<td>social trend</td>
<td>becoming requirements from customers, society and government</td>
<td>change from understanding to acting</td>
<td>key change from business</td>
</tr>
<tr>
<td></td>
<td>K2, A2</td>
<td>B1</td>
<td>F2, J2, C3</td>
<td>G2</td>
<td>H1, B1, G1</td>
</tr>
<tr>
<td>Other changes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>professionalization of contractors/consultants</td>
<td>C3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>businesses change passively</td>
<td>J2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>should be developed in universities (a lesson in university)</td>
<td>H1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>change in awareness with different change rates in different nations</td>
<td>H1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Table 1.1: Statistical Summary in Inflation rate, GDP and Exchange rate of Vietnam

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inflation rate (% change)</strong></td>
<td>7.8</td>
<td>8.3</td>
<td>7.4</td>
<td>8.3</td>
<td>23.1</td>
<td>7.1</td>
<td>8.9</td>
<td>18.7</td>
</tr>
<tr>
<td><strong>GDP (% real growth)</strong></td>
<td>7.8</td>
<td>8.4</td>
<td>8.2</td>
<td>8.5</td>
<td>6.3</td>
<td>5.3</td>
<td>6.8</td>
<td>5.9</td>
</tr>
<tr>
<td><strong>Exchange rate (VND per $US)</strong></td>
<td>15,746</td>
<td>15,858.9</td>
<td>15,994.3</td>
<td>16,105.1</td>
<td>16,302.3</td>
<td>17,065.1</td>
<td>18,612.9</td>
<td>20,509.8</td>
</tr>
</tbody>
</table>

*(The World Bank 2012)*

### Table 1.2: Companies in construction industry

<table>
<thead>
<tr>
<th></th>
<th>Design services</th>
<th>Consultant services</th>
<th>Executing services</th>
<th>Other services</th>
</tr>
</thead>
<tbody>
<tr>
<td>HoChiMinh City</td>
<td>323</td>
<td>299</td>
<td>244</td>
<td>750</td>
</tr>
<tr>
<td>Hanoi</td>
<td>272</td>
<td>309</td>
<td>222</td>
<td>720</td>
</tr>
<tr>
<td>Others</td>
<td>88</td>
<td>102</td>
<td>97</td>
<td>531</td>
</tr>
</tbody>
</table>

*('IBuild' 2010)*

### Table 3.1 Main activities of interviewed companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Ownership</th>
<th>Main activities</th>
<th>No. of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>213</td>
</tr>
<tr>
<td>Company B</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>150</td>
</tr>
<tr>
<td>Company C</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>3,200</td>
</tr>
<tr>
<td>Company D</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>&gt;4,000</td>
</tr>
<tr>
<td>Company E</td>
<td>State-owned</td>
<td>Contractor</td>
<td>1,500</td>
</tr>
<tr>
<td>Company F</td>
<td>Private</td>
<td>Contractor</td>
<td>3,000</td>
</tr>
<tr>
<td>Company G</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>50</td>
</tr>
<tr>
<td>Company H</td>
<td>Private</td>
<td>Construction manufacturer</td>
<td>&gt;1,000</td>
</tr>
<tr>
<td>Company I</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>&gt;500</td>
</tr>
<tr>
<td>Company J</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>250</td>
</tr>
<tr>
<td>Company K</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>94</td>
</tr>
<tr>
<td>Manager</td>
<td>Position</td>
<td>Year of birth</td>
<td>Gender</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------------------</td>
<td>---------------</td>
<td>--------</td>
</tr>
<tr>
<td>Manager A1</td>
<td>CEO</td>
<td>1956</td>
<td>Female</td>
</tr>
<tr>
<td>Manager A2</td>
<td>Head of subsidiary</td>
<td>1956</td>
<td>Male</td>
</tr>
<tr>
<td>Manager B1</td>
<td>CEO</td>
<td>1973</td>
<td>Male</td>
</tr>
<tr>
<td>Manager B2</td>
<td>Head of project department</td>
<td>1975</td>
<td>Male</td>
</tr>
<tr>
<td>Manager C1</td>
<td>Deputy General Director</td>
<td>N/A</td>
<td>Male</td>
</tr>
<tr>
<td>Manager C2</td>
<td>Project manager</td>
<td>1982</td>
<td>Male</td>
</tr>
<tr>
<td>Manager C3</td>
<td>Deputy General Director</td>
<td>1970</td>
<td>Male</td>
</tr>
<tr>
<td>Manager D1</td>
<td>Director</td>
<td>1975</td>
<td>Male</td>
</tr>
<tr>
<td>Manager E1</td>
<td>CEO</td>
<td>1963</td>
<td>Male</td>
</tr>
<tr>
<td>Manager E2</td>
<td>Head of HR department</td>
<td>1975</td>
<td>Female</td>
</tr>
<tr>
<td>Manager F1</td>
<td>Project manager</td>
<td>1979</td>
<td>Male</td>
</tr>
<tr>
<td>Manager F2</td>
<td>Deputy General Director</td>
<td>1973</td>
<td>Male</td>
</tr>
<tr>
<td>Manager G1</td>
<td>Head of Project Department</td>
<td>1980</td>
<td>Male</td>
</tr>
<tr>
<td>Manager G2</td>
<td>CEO</td>
<td>1973</td>
<td>Male</td>
</tr>
<tr>
<td>Manager H1</td>
<td>Deputy General Director</td>
<td>1955</td>
<td>Male</td>
</tr>
<tr>
<td>Manager H2</td>
<td>Head of subsidiary</td>
<td>1956</td>
<td>Male</td>
</tr>
<tr>
<td>Manager I1</td>
<td>CEO</td>
<td>1956</td>
<td>Male</td>
</tr>
<tr>
<td>Manager J1</td>
<td>Project manager</td>
<td>1982</td>
<td>Male</td>
</tr>
<tr>
<td>Manager J2</td>
<td>Deputy General Director</td>
<td>1975</td>
<td>Male</td>
</tr>
<tr>
<td>Manager K1</td>
<td>Deputy Director</td>
<td>1973</td>
<td>Male</td>
</tr>
<tr>
<td>Manager K2</td>
<td>Head of Project department</td>
<td>1975</td>
<td>Male</td>
</tr>
<tr>
<td>Co.</td>
<td>Ownership</td>
<td>Main activities</td>
<td>No. of employees</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------</td>
<td>--------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>D</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>&gt;4,000</td>
</tr>
<tr>
<td>F</td>
<td>Private</td>
<td>Contractor</td>
<td>3,000</td>
</tr>
<tr>
<td>G</td>
<td>Private-joint-stock</td>
<td>Contractor</td>
<td>50</td>
</tr>
<tr>
<td>H</td>
<td>Private</td>
<td>Manufacturer</td>
<td>&gt;1,000</td>
</tr>
<tr>
<td>A</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>213</td>
</tr>
<tr>
<td>B</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>150</td>
</tr>
<tr>
<td>E</td>
<td>State-owned</td>
<td>Contractor</td>
<td>1,500</td>
</tr>
<tr>
<td>I</td>
<td>State-joint-stock</td>
<td>Design and consulting</td>
<td>&gt;500</td>
</tr>
<tr>
<td>K</td>
<td>State-joint-stock</td>
<td>Contractor</td>
<td>94</td>
</tr>
</tbody>
</table>

Table 5.1: General information of State and Private Corporations
### Table 5.2: Differences in managers’ perceptions by ownership

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Total managers</th>
<th>Private Corporations</th>
<th>State Corporations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical responsibilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Organizational ethical issues</td>
<td>8</td>
<td>7</td>
<td>1 (MBA)</td>
</tr>
<tr>
<td>• Personal ethical awareness</td>
<td>7</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Other responsibilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Environment</td>
<td>4</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>• Prestige and reputation</td>
<td>9</td>
<td>7</td>
<td>2 (MBA)</td>
</tr>
<tr>
<td>Who are stakeholders?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• End-users</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>• Competitors</td>
<td>3</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

### Table 5.3: Differences in managers’ perceptions by sector

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Perceptions of managers in Design and Consulting Companies</th>
<th>Perceptions of managers in contractors and manufacturers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other responsibilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Environment</td>
<td>All managers mentioned environment, but:</td>
<td>Either mentioning environment as a responsibility</td>
</tr>
<tr>
<td></td>
<td>- Indoor jobs, so no harm to environment</td>
<td>Or not mentioning anything about the environment</td>
</tr>
<tr>
<td></td>
<td>- Environmental responsibility conducted by giving advice to owner about waste management system</td>
<td></td>
</tr>
</tbody>
</table>

### Table 5.4: Demographic information of respondents

<table>
<thead>
<tr>
<th>Manager</th>
<th>Position</th>
<th>Age range</th>
<th>Gender</th>
<th>Member of VCP*</th>
<th>Highest Degree</th>
<th>Worked in projects with foreign firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>CEO</td>
<td>Over 55</td>
<td>Female</td>
<td>Y</td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>A2</td>
<td>Head of subsidiary</td>
<td>Over 55</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>B1</td>
<td>CEO</td>
<td>30-40</td>
<td>Male</td>
<td>Y</td>
<td>MBA</td>
<td></td>
</tr>
<tr>
<td>B2</td>
<td>Head of project department</td>
<td>30-40</td>
<td>Male</td>
<td></td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>C1</td>
<td>Deputy General Director</td>
<td>40-50</td>
<td>Male</td>
<td>Y</td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>C2</td>
<td>Project manager</td>
<td>30-40</td>
<td>Male</td>
<td></td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>C3</td>
<td>Deputy General Director</td>
<td>40-50</td>
<td>Male</td>
<td></td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>D1</td>
<td>Director</td>
<td>30-40</td>
<td>Male</td>
<td></td>
<td>MBA</td>
<td>Y</td>
</tr>
<tr>
<td>E1</td>
<td>CEO</td>
<td>40-50</td>
<td>Male</td>
<td>Y</td>
<td>MBA</td>
<td></td>
</tr>
<tr>
<td>E2</td>
<td>Head of HR department</td>
<td>30-40</td>
<td>Female</td>
<td></td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>F1</td>
<td>Project manager</td>
<td>30-40</td>
<td>Male</td>
<td></td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>F2</td>
<td>Deputy General Director</td>
<td>30-40</td>
<td>Male</td>
<td></td>
<td>Bachelor</td>
<td>Y</td>
</tr>
<tr>
<td>G1</td>
<td>Head of Project Department</td>
<td>30-40</td>
<td>Male</td>
<td></td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>G2</td>
<td>CEO</td>
<td>30-40</td>
<td>Male</td>
<td></td>
<td>Bachelor</td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Category of responsibilities</td>
<td>Sub-themes in category</td>
<td>Specific issues mentioned</td>
<td>Frequency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------</td>
<td>------------------------</td>
<td>--------------------------</td>
<td>-----------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Philanthropic responsibilities</td>
<td>Serving the external community</td>
<td>Required responsibility</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Conditional responsibility</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Serving a specified community</td>
<td>An identified university (HCMUT)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Serving the internal temporary workers</td>
<td>community such as employees, staffs, temporary workers</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Ethical responsibilities</td>
<td>Organizational ethical issues</td>
<td>Business ethics</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Spiritual responsibilities</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Personal ethical issues</td>
<td>Professional conscience</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Awareness, working with heart and virtue</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Legal responsibilities</td>
<td>Regulatory compliance</td>
<td>Obeying the laws</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Doing business</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.5: Differences in perceptions of manager in ‘over 55’

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Perceptions of managers in ‘over 55’</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal responsibilities</td>
<td>- Obeying laws strictly means CSR is practiced</td>
</tr>
<tr>
<td></td>
<td>- Belief in Communist legislation</td>
</tr>
<tr>
<td>National responsibility</td>
<td>- One type of responsibility of business towards society</td>
</tr>
</tbody>
</table>

Table 5.6: Differences in sub-contractor managers’ perceptions

<table>
<thead>
<tr>
<th>Issues having differences in managers’ perceptions</th>
<th>Sub-contractor managers’ perceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR in:</td>
<td>Rooted in corporate culture</td>
</tr>
<tr>
<td>- Ethical responsibilities</td>
<td>Behaved through corporate behaviours</td>
</tr>
<tr>
<td>- Business ethics or doing business transparently</td>
<td>Highlighted its importance as standard</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>Influences of construction sites on neighbouring communities</td>
</tr>
</tbody>
</table>

Table 6.1: Five categories of responsibilities and their sub-themes

VCP*: Vietnamese Communist Party
<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Types of CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers/Investors</td>
<td>Economic</td>
</tr>
<tr>
<td>Employees and their families</td>
<td></td>
</tr>
<tr>
<td>Communities/neighbouring communities</td>
<td></td>
</tr>
<tr>
<td>Shareholders</td>
<td></td>
</tr>
<tr>
<td>Local authorities</td>
<td></td>
</tr>
<tr>
<td>Business partners (suppliers, sub-contractors, competitors)</td>
<td></td>
</tr>
<tr>
<td>Management teams</td>
<td></td>
</tr>
<tr>
<td>End-users</td>
<td></td>
</tr>
<tr>
<td>Associations</td>
<td></td>
</tr>
<tr>
<td>Universities</td>
<td></td>
</tr>
</tbody>
</table>

**Table 6.2: Revised Stakeholder/Responsibilities Matrix for the construction sector in Vietnam, adapted from Carroll (1991)**

<table>
<thead>
<tr>
<th>4</th>
<th>Economic responsibilities</th>
<th>honestly/transparently</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Being profitable</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Efficiency</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Producing</td>
<td>7</td>
</tr>
<tr>
<td>5</td>
<td>Other types of responsibilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Human resources (HR) issues</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Responsibilities to employees, such as creating a good working environment, creating jobs and incomes, and assuring safety on construction sites</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Prestige and reputation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitment</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Prestige and reputation</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Environment</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Responsibilities to stakeholders</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Balancing benefits to stakeholders</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>No bad effects on society</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Improving awareness of society</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Creating urban aesthetics</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>National responsibilities</td>
<td>1</td>
</tr>
</tbody>
</table>

**Table 6.3: Factors influencing managers’ perceptions of CSR**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Sub-category</th>
<th>Frequency</th>
<th>Stronger influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Education</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reading books</td>
<td>3</td>
<td>X</td>
</tr>
<tr>
<td>Working life</td>
<td>Working experience</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Direct supervisor</td>
<td>5</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Foreign contractors</td>
<td>4</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Successful business</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Personal issues</td>
<td>Family</td>
<td>2</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Personal experiences</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Religion and political aspects</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Historic past</td>
<td>1</td>
<td>X</td>
</tr>
<tr>
<td>Other interactions</td>
<td>Social relationships</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Information from the media and professional seminars</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>
Table 6.4: Key differences in managers’ perceptions of CSR

<table>
<thead>
<tr>
<th>Characteristics of managers</th>
<th>None</th>
<th>Managers in contractors</th>
<th>Sub-contractor managers</th>
<th>Managers having MBA degree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private managers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethical responsibilities relating to organizational ethical issues</td>
<td>Perceiving end-users and competitors as stakeholders</td>
<td>-Corporate culture as the root of CSR</td>
<td>-Influences of construction sites on communities</td>
<td></td>
</tr>
<tr>
<td>Perceptions of environment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prestige and reputation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>State Managers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal ethical awareness</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Managers over 55 years old</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CSR is obeying laws</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Belief in Communist legislation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National responsibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6.5: Obstacles corresponding with findings of previous studies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic issues</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Competitive pressure</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR issues</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Macro environment</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Understanding of CSR</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Management: not corresponding with any literature</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6.6: Echoes with the study of Hung (2011)

<table>
<thead>
<tr>
<th>Identified roles</th>
<th>Echoes with Hung (2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being an example</td>
<td></td>
</tr>
<tr>
<td>Persuading owners (if manager is not owner)</td>
<td></td>
</tr>
<tr>
<td>Lifting the spirit of employees</td>
<td></td>
</tr>
<tr>
<td>Orienting and training employees</td>
<td>Direction-setting role</td>
</tr>
<tr>
<td>Dissemination</td>
<td></td>
</tr>
<tr>
<td>Implementing ideas of top managers</td>
<td>Direction-setting role</td>
</tr>
<tr>
<td>Developing business strategies (cover CSR issues)</td>
<td>Direction-setting role</td>
</tr>
<tr>
<td>Controlling working process</td>
<td>Guardian role</td>
</tr>
</tbody>
</table>
APPENDIX 9: FIGURES

Figure 2.1: The Pyramid of Corporate Social Responsibility (Carroll 1991)
Figure 6.1 Vietnamese managers’ perceptions of CSR
ECONOMIC Responsibilities
- Be profitable (Required)

LEGAL Responsibilities
- Obey the law (Required)

ETHICAL Responsibilities
- Be ethical (Expected)

PHILANTHROPIC Responsibilities
- Be a good corporate citizen (Desired)

The Pyramid of Corporate Social Responsibility (Carroll 1991)

Responsibilities to stakeholders: no bad effect on society, improving awareness of society, and creating urban aesthetics

Responsibilities to employees: creating a good working environment, creating jobs and income, and assuring safety on construction sites

HR issues: HR policies
- Prestige and reputation: commitment

LEGAL Responsibilities
- Regulatory compliance

ETHICAL Responsibilities
- Organizational ethical issues
- Personal ethical awareness

PHILANTHROPIC Responsibilities
- Required and conditional CSR
- Charity begins at firms

ECONOMIC Responsibilities
- Prime reason for firms to exist
- Foundation for any other duties

LEGAL Responsibilities
- Prestige and reputation

PHILANTHROPIC Responsibilities
- Responsibilities to employees

OTHER TYPES OF RESPONSIBILITIES
- HR issues: views about personnel; responsibilities to employees (hygiene factor factors in Herzberg two-factor theory)
- Prestige and reputation: keeping commitment and prestige
- Responsibilities to stakeholders: performed not utterly voluntarily; balancing benefits of stakeholders
- National responsibility

Vietnamese managers’ perceptions of CSR

Figure 6.2: A comparison and overlaps between CSR pyramid of Carroll (1991) and Vietnamese managers’ perceptions of CSR

Vietnamese managers’ perceptions of CSR

210
Forces of market, 2

Forces of society, 3

Forces of supervisors, 2

Economic forces, 8

Leader personal issues, 3

Figure 6.3: Motivations for pursuing CSR

Economic forces, 8

Leader personal issues, 3

Forces of supervisors, 2

Forces of market, 2

Figure 6.4: Managets’ responses about priorities in satisfying stakeholders

balancing benefits of different stakeholders, 6

customers, 7

shareholders, 4

employees, 3

depending on the pressure from a particular stakeholder, 1

211
Figure 6.5: Subcategories and ones having stronger influence on Vietnamese managers' perception of CSR
- Dark red subcategories having stronger influence

Figure 6.6: Managers’ roles in CSR
I: managing people
II: rules, ISO standards
III: parties/drinking
IV: announcement (documents)
V: talking to employees
VI: expressing working manner of leader
VII: HR activities (training, orienting, ...)
VIII: meetings

Figure 6.7: Ways to disseminate and train in CSR

I, VII: HR functions
II, IV, VIII: formal communication channels
III, V, VI: informal communication channels