



## CORPORATE SOCIAL RESPONSIBILITY COMMUNICATION IN TURKEY: EVIDENCE FROM WEB OF 5 BIG HOLDINGS

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### ABSTRACT

In recent years, the concept of corporate social responsibility and practices become one of the most important topics on the agenda of the companies. Therefore, corporate social responsibility has received considerable attention in literature. The extending literature in Turkey regarding corporate social responsibility has focused particularly on the corporate social responsibility perceptions of target groups. However, there is a lack of research investigating the content of what companies are saying to their stakeholders in corporate social responsibility reporting. The aim of this study is to analyze the content of issues that leading holdings in Turkey are addressing on their websites regarding corporate social responsibility. The data for this investigation is provided from the websites of the 5 big holdings, where operates their activity in Turkey. Depending on case study these holdings' web sites and their annual reports examined with qualitative content analysis. Firstly, the websites of firms were investigated for statements regarding firms corporate social responsibilities in corporate social responsibility reporting and secondly the statements acquired were sorted, categorized by stakeholders and analyzed.

**Key Words:** Corporate Social Responsibility, Communication, Turkey

## TÜRKİYE'DE KURUMSAL SOSYAL SORUMLULUK İLETİŞİMİ: 5 BÜYÜK HOLDİNGİN WEB SİTELERİNDEN KANITLAR

### ÖZET

Kurumsal sosyal sorumluluk kavramı ve uygulamaları son yıllarda şirketlerin gündemindeki en önemli konulardan biridir. Bu nedenle kurumsal sosyal sorumluluk ile ilgili konular literatürde oldukça ilgi görmektedir. Türkiye'de kurumsal sosyal sorumluluğa ilişkin yapılan çalışmaların daha çok hedef grupların KSS algılarına odaklandığı görülmektedir. Ancak, firmaların kurumsal sosyal sorumluluk raporlamalarında paydaşlarına söylediklerinin içeriğini ele almada araştırma eksikliği bulunmaktadır. Dolayısıyla bu çalışmanın amacı, Türkiye'nin önde gelen 5 holdinginin web sitelerinde KSS ile ilgili ele aldıkları konuların içeriğini analiz etmektir. Araştırmaya ilişkin veriler Türkiye'de faaliyet gösteren 5 büyük holdingin web sitelerinden sağlanmıştır. Örnek olay incelemesine bağlı olarak bu holdinglerin web siteleri ve raporları niteliksel içerik analizi ile incelenmiştir. İlk olarak, holdinglerin web siteleri incelenmiş, raporlara ulaşılmış ve raporlarda firmaların kurumsal sosyal sorumluluklarına ilişkin ifadeleri tespit edilmiştir. Daha sonra elde edilen ifadeler tasnif edilmiş, paydaşlara göre kategorize edilmiş ve analiz edilmiştir.

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## INTRODUCTION

In recent years, the concept of corporate social responsibility(CSR) and practices become one of the most important topics on the agenda of the companies. Therefore, CSR has received considerable attention in literature. A growing number of studies have investigated the various dimensions of CSR. These studies have focused to identify how CSR affects the organizational performance and provided empirical evidence on the relation between these corporate behaviors and sustainability and competitiveness of the firms (Burke and Logsdon, 1996; McWilliams and Siegel, 2001; Porter and Kramer, 2002; Maignan and Raltson, 2002; Snider et al., 2003).

Philanthropic responsibilities are considered as a component of CSR by some authors. For example, Carroll's pyramid of CSR is a well-known and most widely accepted conceptualisation of CSR and Carroll (1979, pp. 499-451) elaborated in his construct four dimensions (economic, legal, ethical and philanthropic responsibilities) concerning the definition of CSR. (Carroll, 1979, p. 499). Philanthropy practices in Turkey started during Ottoman Empire period. In the Ottoman, the concept of "waqf" or foundation was the institutional basis for the public services. Many services particularly education and health funded, organized, built and maintained through this foundation system. During the Ottoman Empire, schools, universities, libraries, hospitals, soup kitchens, roads, bridges, ports, fountains and other many services have been provided by foundations (Çizakça, 2006; Singer, 2008). Therefore the origins of CSR in Turkey can be found in the philanthropic activities during the Ottoman period. In this context large companies started to establish their family foundations to institutionalize their CSR activities during the 1970s. However CSR has been widely recognised in parallel to the globalization trend during the last two decades in Turkey.

The extending literature in Turkey regarding CSR has focused particularly on the CSR perceptions of target groups. However, there is a lack of research investigating the content of what companies are saying to their stakeholders in CSR reporting. The aim of this study is to analyze the content of issues that leading holdings in Turkey are addressing on their websites regarding CSR. In this study 5 holdings, where operates their activities in Turkey, selected with case study method. Depending on case study these holdings' web sites and their reports examined with qualitative content analysis. Firstly, the websites of firms were investigated for statements regarding firms corporate social responsibilities in CSR reporting and secondly the statements acquired were categorized by stakeholders.

## **CORPORATE SOCIAL RESPONSIBILITY**

A review of the extending literature on CSR provides various definitions of the concept (Bowen, 1953; Carroll, 1979, 1991; Snider et al.,2003; McWilliams et al.,2006). Bowen who introduced first-time corporate responsibility described social responsibilities of businessmen as “the obligations 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 the society (Bowen, 1953, p.6). McWilliams et al. (2006, p.1) described CSR as “situations where the firm goes beyond compliance and engages in ‘actions that appear to further some social good, beyond the interest of the firm and that which is required by law”.

A well-known and most widely accepted conceptualization of CSR is Carroll’s pyramid of CSR. Carroll’s four dimensions of CSR refer to the total responsibilities of a company. Economic responsibilities are fundamental responsibilities of companies and are placed at the base. Economic responsibilities refer to the production of services and goods and the selling them with profit. Legal responsibilities refer to fulfilling the economic responsibilities within legal responsibility. Companies obey the law in their all operations. Ethical responsibilities comprise those activities that are expected by the society although they are not necessarily established by legal system. Companies are responsible to be good which extend beyond obedience to the law or beyond the level of acceptable behavior. Companies operate in ethical responsibilities to be regarded as good corporate citizens. Philanthropic (discretionary) responsibilities are “those about which society has no clear-cut message for business” (Carroll, 1979, p. 500).

### **Corporate Social Responsibility and Communication**

Companies can create positive or negative effects on their stakeholders with the operations they carry out. Therefore, companies work to minimize the negative effects they have on their stakeholders and to turn the negative effects into positive. In this sense, CSR activities provide an opportunity for companies in line with these purposes.

Different stakeholder groups of companies (customers, employees, investors, etc.) raise awareness on this issue and want companies to perform CSR practices that can benefit society and the environment (Schneider et al., 2007; Du et al., 2010). Today, it is emphasized that companies should develop their CSR practices in line with the needs and expectations of their stakeholders and include them in the strategic goals of the company (Hartman et al., 2007).

Companies should communicate their CSR practices to the society and their stakeholders in order to improve their corporate reputation and improve their relations with their stakeholders (Schneider et al., 2007). In addition, companies that carry out CSR activities attract more talented employees (Castelo & Lima, 2006).

## **CORPORATE SOCIAL RESPONSIBILITY COMMUNICATION IN TURKEY: EVIDENCE FROM WEB OF 5 BIG HOLDINGS**

### **Methodology**

Analysis of the websites of holdings was carried according to qualitative content analysis based on 5 stakeholder groupings (customers, employees, stockholders, community, environment). For the analyses of the data, the websites were scanned, and the information acquired was sorted and then categorized (Hill, 1994).

### **Findings**

Websites of holdings include general information of their CSR practices. The firms conduct its CSR activities for their stakeholders especially in areas such as education, culture-art, health, sport, social services and environment.

Education is one of the most emphasized CSR activities of firms. The firms concentrate their attention on the educational issues and listed their investments in education on websites. Culture-Art and health are another fields that are focused on by firms. Firms provide messages that give examples regarding culture-art and health.

Some firms contribute to the development of social awareness of food, nutrition, and healthy living. Some of the significant themes within stakeholder groupings were explained briefly. Then some CSR statements from the websites of the firms as example were provided.

### **Customers**

One of the most emphasized social responsibilities of firms is responsibilities towards customers as the most important stakeholder grouping. Some firms presents CSR messages that underline customer health and safety. The others describe how satisfy their customers needs and

product quality. An example of the former is from the Doğuř Group, an example of the latter is from the Yıldız Holding.

*As Doğuř Group, we uphold the health and safety of our customers and take all the necessary precautions in all our operations and reshape our practices where needed. Furthermore, Doğuř Group companies also develop projects to further increase the overall awareness on the issue of customer health and safety.*

*Yıldız Holding will be known as a company that supports vertical integration and other key values, as a company that makes important investments in the foods and beverages sector, and as the leading international Turkish food and beverage company. We will provide reasonably priced high quality products that are accessible to consumers and create a strong partnership with consumers by providing the best possible customer service.*

### **Employees**

Employees are another stakeholder grouping that is considered important by firms. Firms provide CSR messages that concentrate on the giving value to their employees and pay attention to the importance of diversity among their employees. An example of such statements is from Sabancı Group.

*We regard our human resources as the most significant component in creating sustainable growth. We ensure that all employees take advantage of their personal rights as members of the Group, fully and accurately. We treat our employees with honesty and fairness; we are committed to creating a non-discriminatory, safe and healthy work environment. We undertake efforts to enable the personal development of all employees while pursuing a balance between their private and professional lives.*

Some firms provided CSR statements that realize human resources as a most valuable asset and draw attention to the investments of employee development. An example of these type of message comes from the website of the Koç Group.

*Koç Group reaches its continuous success in providing high quality products and services and develops its objectives thanks to the strength provided by its human resources. A climate of mutual trust and respect established together with employees has a significant share in the place we have reached. The continuous development of this climate is highly*

*crucial for the Group. In this respect, we aim to attract and employ the most skilled workforce in the Group.*

## **Stockholders**

Only a few firms provide CSR statements regarding to the their stockholders. In the following statement, they emphasize the create value for stockholders and need to establish trust with their stockholders. An example of this type of message comes from the Sabancı Group.

*We act with financial discipline and accountability, and manage our company's resources, assets and our professional work time with a sense of efficiency and economy. We work to enhance our competitive power, and to invest in areas with growth potential and which offer the highest return on allocated resources. We give timely, correct, complete, and clear information on our financial statements, strategies, investments and risk profile to the public and to our shareholders.*

## **Community**

Firms provide CSR statements towards this stakeholder grouping into various areas. Companies describe their attention to national interests in education, culture and the art, health, sport, and other issues. Companies concentrate their discussions on community based activities. CSR messages at all websites of firms tend to include general statements of support as well as specific reports of achievements.

On the other hand, some firms concentrate their attention on the educational issues and listed their investments in education. Borusan Mannesmann provides an excellent example of this type of statements among firms.

*Since early 1960s, Borusan Mannesmann has been engaged in efforts to improve education and educational institutions. During this period, Borusan Mannesmann supported several schools and universities, and continues to provide unlimited support to education under Borusan Kocabiyık Foundation.*

## **Environment**

Holdings often present CSR statements that describe environmental approach and policies of firms. These messages aims to inform stakeholders grouping about strategies and policies of firms for the environmental issues. The Koç Group demonstrates their general interest in the ecology and their efforts. The statement provided is an exemplar of the general form of environmental policies.

*Sustainable economic development will only happen when protecting the environment is core to our decision making. Put another way, we know our financial wellbeing is worth very little without the human wellbeing that comes with a healthily functioning natural world. We're in a strong position to act on complex global challenges with long time frames – like climate change. Our global scale and engagement present big opportunities to contribute to the progressive climate agenda. In doing so, we aim to provide a role model for other businesses – both within our own ecosystem and beyond.*

On the other hand, some firms present CSR messages that emphasize the role of their employees in the introduction of environmental management in their operations. These messages encourage also employees to participate in the environmental initiatives of firms. An example for this type of messages from the websites of the Doğu Group.

*Doğu Group's environmental awareness approach mainly depends on employees as an important part of the implementation processes because it is their engagement that will increase the probability of a successful implementation of all kinds of environmental practices. Employees are an important source of knowledge, expertise, and ingenuity when it comes to the company, its procedures and its equipment.*

## CONCLUSION

The results of this study expose that how the big holdings in Turkey describe their CSR statements towards their various stakeholders. Employees receive messages that concentrate on development of employment and improving of employees. CSR messages for customers emphasize the fullfilling of their customers needs. Such messages focus on the value of operating products. Stockholder messages discuss the importance of trust gained through the use of honest, inclusive, and timely communications.

A total community is more expansive stakeholder grouping. For this stakeholder grouping, firms espouse efforts to improve the quality of life of society, in which they work and live with together. Additionally, firms describe their attempts to solve important national issues in the country. Finally, environmental policies are constituted to inform general society about strategies of firms for the environmental issues.

The findings show that the holdings are engaged in CSR activities in a wide variety of fields, and they communicate these activities to their stakeholders through their websites and reports. However, these leading holdings seem to be unable to use their Web sites to their advantage in terms of the amount and style of CSR communication. Therefore, we can say that it is important to evaluate CSR activities strategically and to carry out CSR communication more proactively in improving relations with stakeholders.

The most obvious limitation of the study is that it is conducted only on secondary data over a small number of holdings due to time constraints. In future studies, the results of the study can be improved by making detailed interviews with more holdings. In addition, studies can be conducted on the official social media accounts of the holdings.

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