The Perceptions of Corporate Social Responsibility in Tanzania

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Abstract

Corporate social responsibility has become a popular tool for strategic marketing and management in developing countries even though practices are focused on the philanthropic responsibility. This raises the attention on how the concept of CSR is conceptualized in the context of developing countries. Thus, this study investigates stakeholders' perceptions on the dimensions of CSR, and how demographic characteristics influence their perceptions. A conceptual model hypothesizing a multi-dimensional perspective of the concept, and which shows the relationship between stakeholders' demographic characteristics and their perceptions, was developed and validated. In addition, the study investigated the perceived benefits of CSR practices in Tanzania.

A confirmatory factor analysis, as well as discriminant analysis and multiple regressions, were used to validate the model and test the hypothesized relationships using a sample of 142 MBA students from the University of Dar es Salaam. Findings revealed that stakeholders view CSR as a multi-dimensional concept, comprising of economic, legal, philanthropic and ethical responsibilities. There was no relationship between stakeholders' demographic attributes and their perception of the dimensions of CSR. Among the perceived strategic benefits by stakeholders for firms engaging in CSR practices included: improve public image/reputation, increase brand image, and increase support from the community.

The paper concludes that, since stakeholders perceive CSR as a multi- dimensional concept, there in a need to embrace the broader perspective of CSR to include economic, legal, philanthropic and ethical practices. Additionally, CSR should be practiced in its holistic nature to yield competitive advantage.

Keywords: corporate social responsibility; stakeholders; developing countries