Reflecting the Community: Analysis of Local Residents’ Perception Concerning Corporate Social Responsibility Initiatives

Refletindo a Comunidade: Análise da Percepção dos Moradores Locais em Relação as Iniciativas de Responsabilidade Social Corporativa

Reflejando a Comunidad: Análisis de las Percepciones de los Residentes Locales sobre las Iniciativas de Responsabilidad Social Corporativa

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Abstract

This case study examines the community’s perception of a rural-based industrial company's Corporate Social Responsibility (CSR) actions, employing Schwartz and Carroll's model. Balancing economic, legal, ethical, and philanthropic principles, the study integrates bibliographic review with qualitative and quantitative methods, utilizing semi-structured interviews and forms. Findings reveal uniform stakeholder perceptions across CSR dimensions. Company X is deemed socially responsible, attributed to its strategic emphasis on philanthropy, fostering community support, enhancing institutional image, ensuring

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business resilience, attracting and retaining professionals, engaging employees, and adhering to ethical and legal principles. The researched organization's CSR actions align consistently with the theoretical models employed, reflecting positive community reception and tangible benefits for the company.

**Keywords:** Sustainable Development. Stakeholders. Organizational Sustainability. Community Perception.

**Resumo**
Este é um estudo de caso sobre a percepção das ações de responsabilidade social corporativa (RSC) de uma empresa industrial sediada numa região de predominância rural, por parte da comunidade de stakeholders locais. O estudo utiliza o modelo teórico de Schwartz e Carroll (2003), que aborda a responsabilidade social como um equilíbrio entre os princípios econômicos, legais, éticos e filantrópicos. Trata-se de uma pesquisa descritiva que combina revisão bibliográfica com dados da coleta, seguida de métodos qualitativos e quantitativos. A pesquisa de campo foi conduzida por meio de entrevistas semiestruturadas e formulários com amostragens de diferentes stakeholders. A análise dos dados foi efetuada mediante técnica de análise de conteúdo e estatística descritiva univariada. Os achados da pesquisa evidenciam que as percepções dos stakeholders consultados são idênticas em relação as quatro dimensões da RSC. Na visão dos entrevistados, a empresa X é socialmente responsável. Isto está relacionado à razão estratégica da organização, a qual enfatiza o apoio à comunidade por meio de suas ações filantrópicas. Como retorno, a empresa auferiu fortalecimento da imagem institucional, resiliência do negócio, atracção e retenção de profissionais, envolvimento dos funcionários, além de atender princípios éticos e legais. Evidencia-se que as ações de RSC desenvolvidas pela organização pesquisada, refletidas na percepção de seus diferentes públicos, apresentam consistência com os princípios dos modelos teóricos utilizados. **Palavras-chave:** Desenvolvimento Sustentável. Stakeholders. Sustentabilidade Organizacional.

**Resumen**
Se trata de un estudio de caso sobre la percepción de las acciones de responsabilidad social empresarial (RSE) de una empresa industrial radicada en una región predominantemente rural, por parte de la comunidad de actores locales. El estudio utiliza el modelo teórico de Schwartz y Carroll (2003), que aborda la responsabilidad social como un equilibrio entre principios
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Introduction

In recent years, in the organizational context, there has been a change in the understanding of profit as the only company objective. Due to the pressure exerted by their various stakeholders, organizations are increasingly motivated to improve their image and, consequently, contribute to society through socially responsible actions (Agudelo; Jóhannsdóttir; Davídsdóttir, 2019). However, interest in CSR is not recent, gaining notoriety in 1953 with the work Responsibility of the Businessman by Howard Bowen (Carroll, 1999).

The defined CSR based on the interrelationship of the social responsibility pyramid (Carroll, 2004) is under permanent construction, seeking to integrate economic, legal, ethical, and philanthropic constructs that can better explain and justify it in the business field and society (Schwartz; Carroll, 2007). In general, CSR actions must promote some social good, beyond what is required by law, and are linked to business performance perceived by stakeholders (Carroll, 1991). Agudelo, Jóhannsdóttir, and Davídsdóttir (2019) state that the more involved the company is with the social aspect, the greater the strengthening of its relationship with its users.
Based on the notions of CSR, the relationship between business and social problems is widely discussed, and, from one angle, enterprises are recognized as one of the main causes of crises due to their activities, but, at the same time, they are characterized as a potential source of solutions for the community (Barnett; Henriques; Husted, 2020). The study by Gold, Muthuri, and Reiner (2018) showed the conditions in which community development projects can be successful and benefit all actors (communities, employees, suppliers, etc.) in the long term. Among the results, we highlight the collaborative networks that can foster the self-help capacity of communities, in addition to creating a positive feedback cycle for organizational performance. However, organizations face several barriers, especially related to the divergent interests of stakeholders, because if, on the one hand, business activities are extremely important to generate wealth, on the other hand, the surrounding communities suffer social consequences and, in order to minimize these problems, close collaboration with all stakeholders is necessary (Rodrigues; Mendes, 2018).

The topic of CSR has been expanding due to the fact that social actions have a philanthropic character and are associated with investments in the community (Barnett; Henriques; Husted, 2020). Citing analogous campaigns to donate medications, food, and clothing, as well as campaigns that provide cultural and sports sponsorships and provision of professional courses (Arena et al., 2018). These actions at the local level, in addition to contributing to community development, grant legitimacy to organizations by promoting cooperative behavior between the company and its various stakeholder groups (Baumgartner; Rauter, 2017; Gubrium and Holstein, 2019). However, Calvano (2008) and Agudelo, Jóhannsdóttir, and Davídsdóttir (2019) understand that there is a gap in perception between company and community where a set of ideologies based, for example, on the exploitation of cheap labor, can create situations of conflict between the parties.

From this perspective, there is a lack of studies that address CSR practices in companies located in predominantly rural areas and the perception of the local community in relation to these initiatives. Therefore, there may be a lack of understanding regarding these stakeholders’ knowledge and interest in the impact of CSR actions on their communities, as well as its potential effect on local development. Previous studies have focused on understanding why companies engage in CSR and what results they generate for organizations (Baumgartner; Rauter, 2017). Another research showed the perception of interested parties but with a central focus on understanding consumer’s purchasing intentions or better marketing strategies to disseminate socially responsible practices (Ferreira, Ávila; Faria,
2019). Furthermore, other theoretical lines sought to understand how employees' perceptions of CSR affected engagement at work (Glavas, 2016). However, Aguinis and Glavas (2019) highlighted the need to investigate CSR from a more complete overview, that is, with the inclusion of the community level to obtain greater insights into how the community perceives CSR efforts.

With the purpose of filling this gap, this research is dedicated to identifying the perceptions of the local community in relation to the CSR practices of a company located in the countryside of Paraná, Brazil. To achieve this objective, the study is based on the theoretical model of Schwartz and Carroll (2003), which conceives social responsibility as a balance between economic, legal, ethical, and philanthropic principles. Thus, this research aligns with contemporary discussions about the interaction of companies with their stakeholders, therefore promoting reflection and analysis of the main trends in the relationship between the organization and the local community.

**Theoretical Framework**

2.1 Corporate Social Responsibility and Communities

The concept of CSR has become a much discussed topic in recent years, especially in the field of administration in which organizations have been experiencing great pressure from stakeholders to contribute to more sustainable development, especially in communities where they operate (Mishra; Suar, 2018; Zemigala, 2019). CSR includes economic, legal, ethical, and philanthropic aspects and varies according to the type of business (Carrol, 1999). The same author also envisioned a bright and promising future for CSR practices, justified by the fact that its core presents the fundamental concerns of citizens in terms of the relationship between business and society. Yet Pinkey (2015) showed that these responsibilities provide a positive relationship between stakeholders when considering the location where the practices are carried out.

From this perspective, Sheth and Babiak (2018) argue that companies involved in practices that are not mandatory by law positively influence the perception of stakeholders. McWilliams and Siegel (2011) and Campbell, Eden, and Miller (2012) also agree with this position when they explain that CSR denotes company practices that appear to promote some social good, in which the level of activity is above and beyond that required by law. Along
these lines, social activists have emerged and have been pressuring companies to focus their CSR efforts on the community in which they operate (Mercer-Mapstone; Rifkin; 2018). Zemigala (2019) points out that socially responsible behavior is under more intense scrutiny from local authorities and therefore organizations need to meet the social standards and requirements of these communities. This is relevant to obtain reputation, trust, legitimacy and, naturally, to facilitate the business (Mishra; Suar, 2018).

Baumgartner and Rauter (2017) had already observed that knowing the demands and investing in the development of the local community helps organizations to obtain competitive advantages through tax savings, improved reputation, reduced charges, and improved commitments in the quality of the local workforce. Thus, when companies focus their social actions on communities, they reap the benefits of a socially responsible image, which leads to improved organizational performance and, eventually, positive results in their operations (Mishra; Suar, 2018).

Although there is no uniform concept of community in the social sciences, scholars agree that this definition must include the dimensions of geography, social interaction, and identity (Gubrium; Holstein, 2019). For Arena, Azzone, and Mapelli (2018), the term community originally presented a clear geographical definition referring to a territory, but, with the advent of technology, the connotation was replaced and complemented by the sharing of common activities and popular beliefs. In an attempt to distinguish the various types of communities with which businesses interact, Dunham, Freeman, and Liedtka (2006) present a typology of four categories, placing them as (i) Community of place: geographic locations that surround the companies, facilities, or operations; (ii) Community of interest: advocacy groups that share a specific objective or agenda; (iii) Virtual advocacy groups: share a common purpose, generally broader than a particular interest and involves mobilizing people to participate in a short-term effort; and (iv) Community of practice: professional work groups, whose members share a common identity and mutual obligations. Succinctly, local communities are those that reside close to the company and have the power to seriously affect the continuity of a corporation (Campbell, et al. 2012; Gubrium; Holstein, 2019).

Finally, it is possible to see that the local community plays a fundamental role in supervising CSR practices. Consequently, it becomes a central stakeholder that drives organizations to implement them, as is evident in the research by Gubrium and Holstein (2019) and Aguinis and Glavas (2019).
2.2 Conflicts between Companies and Communities

Conflicts often occur in the communities where the company is operating (Dunham et al., 2006). These areas are known as community fence lines, a term popularized by non-governmental organizations (NGOs) (Dunham et al., 2006). With the increase in conflicts between companies and local communities, there is a need for organizations to take responsibility for the impact of their activities regarding external stakeholders (Calvano, 2008). To achieve this, company managers must understand the cause of conflicts and what actions can be taken to avoid them.

Calvano (2008) recognizes that community definitions have limitations as they do not always speak with a voice of opposition or support to companies, and stakeholders may have different interests. For example, residents may be in favor of installing a company in the community that will generate jobs, but competitors tend to show resistance, fearing a threat to existing businesses. From this perspective, Gubrium and Holstein (2019) agree with the postmodern social theory in which individuals have multiple identities that impact their social interactions. That is, the participation of a specific geographic community is just one of these identities, however, within the parameters of communication, several groups may have competing interests and still adopt different identities.

Although, when the interests of companies and communities collide, the conflict continues in a far from discreet dynamic and in a long-term manner (Calvano, 2008). Regarding the issue, Pinkey (2015) observes that the nature of multinationals and community conflict varies according to several factors, including the issue of the company's role, intensity, and time, as shown in Table 1.
### Table 1

*Dimensions of Community Conflict*

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role of the company</td>
<td>Produce goods and services that satisfy your needs, those of the consumers, and the community.</td>
<td>Quality products, fair prices, and CSR actions.</td>
</tr>
<tr>
<td>Intensity</td>
<td>It varies from high to low, depending on the level of violence that occurs.</td>
<td>Low intensity: opposition to the company's activities (boycott and legal actions).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High intensity: involves injuries, destruction of property, and death.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local residents may try to stop the construction of a dam while the plan is still on paper.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>They can also position themselves in front of an excavator during construction.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Or even sabotage the finished product.</td>
</tr>
</tbody>
</table>

Source: Adapted from Pinkey (2015)

Calvano (2008) proposes a new framework for examining the relationship between organizations and community conflicts. She includes three components: stakeholder power inequality, gaps in stakeholder perception, and cultural context. The author points out that each of these components has several dimensions following the CSR pyramid, presented by Carrol (1991), which are economic, legal, ethical, and philanthropic. The economic dimension deals with actions that generate positive economic impacts, direct or indirect, aiming to maximize profit. The legal dimension addresses actions under the expectation of legal order, that is, obeying the laws, avoiding civil litigation, and anticipating the laws. The ethical dimension encompasses ethical responsibility actions under the expectations of the population and stakeholders (Schwartz; Carroll, 2003). Notably, the parts of the model in which the dimensions overlap illustrate practices that simultaneously involve the criteria of the dimensions in question. In this way, Schwartz and Carroll (2003) highlighted that the purely legal, purely ethical, and economic/legal categories will rarely be applied, thus limiting some segments of the model. The reason for it, according to the authors, is the high association between practices of an economic and legal nature and practices of a legal and ethical nature.

Calvano (2008) also carried out an in-depth analysis of the pyramid and concluded that community conflicts with organizations arise because company managers ignore or minimize the dimensions of responsibilities and maintain the dominant view which the main function of CSR is to increase the company's profit. It is worth noting that, in 2003, Carrol admitted certain limitations of the model, such as the location of the dimensions, which, as presented in a pyramidal model, gave the idea of hierarchy and segregation. Because of this, he proposed, together with Schwartz (2003), the redistribution of dimensions and the
replacement of the pyramidal representation with the Veen Diagram, which encompasses a better interrelationship between dimensions.

Furthermore, another issue raised about CSR is that organizations can use it to manipulate their relationship with the community, buy them, or even silence them if they oppose their practices (Calvano, 2008). However, most stakeholders recognize that organizations have an obligation to society (Barnett; Henriques; Husted, 2020). There is a need for companies to control the interests of external groups, such as: having effective communication, proactive involvement of interested parties, and respect for the concerns and interests of communities. These elements play a crucial role in conflict resolution.

2.3 Legacies of Corporate Social Responsibility

One of the main goals of companies that incorporate CSR practices is to establish a positive legacy, generating sustainable community value for local and regional communities (Fordham, Robinson; Blackwell, 2017).

To achieve this objective, it is essential to evaluate the impact of CSR initiatives on communities. In this sense, it is used an asset-based model that illustrates how the financial capital of resources can be converted into benefits in the environmental, social, and economic spheres (Barnett; Henriques; Husted, 2020). This approach can contribute to community development, promoting the building of adaptability and resilience in the community (Bourdieu, 2016). Pruzan (2016) noted that a lasting community value requires companies to connect to local communities through their principles and aspirations to ensure that programs have long-term salience and value. Aguinis and Glavas (2019) argue that basic and engagement practices are vital for companies to offer long-term value. However, local communities within this context are diverse and contain a range of cultural principles, ideologies, and political positions. Thus, enduring community value involves examining companies' ability to serve a variety of distinct groups (Fordham et al., 2017).

On the one hand, there is a tendency for companies to focus on communities and stakeholders that have the power to impact the company's operations, such as those with legal rights or political power linked to the companies (Pruzan, 2016). On the other hand, Fordham et al. (2017) noted a series of CSR actions in vulnerable communities, such as employment, education, training, health, business development, environmental management/rehabilitation, and community investment programs, which led residents to believe that companies can
contribute to community development. This challenges Banerjee's (2008) assertion that companies do not provide genuine CSR and only deceive stakeholders. But, Basu and Palazzo (2008) found strong connections between community and productive CSR programs which can confer legitimacy and a lasting legacy of CSR.

Finally, it is possible to say that CSR practices vary widely and can have significant impacts on communities. This complexity highlights the importance of carefully considering CSR strategies and their impact on diverse stakeholders as companies seek a genuine commitment to sustainable development and the well-being of the communities in which they operate.

Methodology

3.1 Research Sample

This research is descriptive, with a mixed approach, carried out in two stages (qualitative and quantitative), based on a case study focused on stakeholders' perception of the CSR actions adopted by a Brazilian company (Yin, 2015). The company selected for this study, here called company X, refers to an organization founded in 1985 that operates in the production of plywood for various segments. It is located in the Southeast region of the State of Paraná, in a predominantly agricultural city. The organization employs 164 employees and generates more than 100 indirect jobs, thus achieving a socioeconomic and environmental impact status in the community. The concern with socially responsible performance involves the different stakeholders in its value chain and it is declared as one of the company's strategic priorities for the sustainable development in the region.

For the qualitative application, based on interviews, the research sample was six different representatives of social groups that fit the stakeholder definition: president of the local residents' association, representative of the municipal public administration, three directors of institutions benefiting from the company's CSR projects, and company manager responsible for CSR projects.

For the quantitative stage, a questionnaire was administered to members of the local community surrounding the company. Specifically for the selection of members of the local community, the number of residences in the neighborhood where the company is located (N = 262), and a confidence level of 95% were considered as the universe. The calculation result
was 152.4, according to recommendations by Dancey and Reidy (2019). Thus, 153 residents living around the industrial facilities in focus were interviewed.

### 3.2 Research Instruments, Data Collection, and Processing

To collect information from the president of the residents' association, the public manager, the directors of beneficiary institutions, and the company manager, a semi-structured interview script was used to identify the perception regarding the CSR practices adopted by the company (See Table 2).

**Table 2**

*Interview script*

<table>
<thead>
<tr>
<th>Block A</th>
<th>Targeting</th>
<th>Assertives</th>
<th>References</th>
</tr>
</thead>
</table>
|         | Opinion regarding the social responsibility of company X | 1. Do you consider the company socially responsible?  
2. What is your opinion regarding the social responsibility actions developed by the company? (manager only).  
3. How important is it for company X to be socially responsible?  
4. What are the benefits for the community of company X being socially responsible?  
5. Are you aware of the social responsibility projects developed by company X? (exclusive of other stakeholders) | Schwartz; Carroll, 2003            |
| Block B | Level of agreement with what is practiced by company X | 1. What objectives does the company want to achieve by carrying out social responsibility?  
2. What impact does the company have on the development of the community where it operates?                                                                                                                                                                                                 | Schwartz; Carroll, 2003            |
| Block C | Level of agreement with the socially responsible stance of company X | 1. Is it important that company X’s social responsibility be defined as: providing voluntary assistance to charitable institutions and communities, acting ethically, and being profitable? (manager only)  
2. What is most important for company X: providing assistance to education institutions, public and private; maintaining a high level of operational efficiency; being a law-abiding corporate citizen; recognizing and respecting the ethical standards of society? (manager only)  
3. Has company X ever had any type of conflict with the community or the residents? How was the situation resolved?  
4. Since company X started investing in social responsibility, what was the most obvious return? | Schwartz; Carroll, 2003            |
| Block D | Respondent profile | 1. Gender  
2. Age range  
3. Education  
4. Length of relationship with the company | Own preparation, 2020              |

The interviews were carried out in March 2020 in person by one of the authors of this study. These were recorded in audio files with an average duration of 20 minutes.
To collect information from surrounding residents, a questionnaire composed of three blocks was used: (A) statements about the company's CSR practice; (B) questions about the degree of agreement with statements about the company's stance; (C) questions characterizing the interviewees. The questions in Blocks A and B were structured with a 5-point Likert scale (1 completely disagree to 5 completely agree) (See Table 3).

Table 3

<table>
<thead>
<tr>
<th>Dimension(s)</th>
<th>Variables</th>
<th>Assertives</th>
</tr>
</thead>
</table>
| Block A      | Ethical Dimension: Support for projects that promote the community’s quality of life; Voluntary assistance to charitable institutions and communities | A-1. You agree with the social responsibility actions carried out by company X in your community.  
A-2. You agree that the social responsibility practices carried out by the company bring benefits to your community.  
A-3. You agree that the social responsibility practices carried out by the company bring benefits to your community.  
A-4. You agree that social responsibility actions are genuine (true). | Schwartz; Carroll, 2003. |
| Block B      | Economic dimension: Constant profits; Earnings through media; Investment in society | The objectives that company X wants to achieve by carrying out social responsibility are:  
B-1. Sell more and increase profits  
B-2. Using social practices as a marketing tool  
| Block C      | Legal dimension: Compliance with legal obligations at local, state, and federal levels Compliance with legal obligations imposed by society | It is important that Company X’s social responsibility is defined as:  
B-4. Do what is stipulated by law  
B-5. Provide voluntary assistance to charitable institutions and communities  
|              | Sociodemographic characterization                                            | C-1. Gender  
C-2. Age range  
C-3. Education  
C-4. Income  
C-5. Distance from the company | Own preparation, 2020. |

It is worth noting that the research instrument previously underwent a pre-test carried out in March 2020 with a company manager and five members of the community, totaling six people. The research instrument was applied to community representatives in person by one of the authors of this study during June and July of 2020.

To tabulate the results, the qualitative data were transcribed and analyzed using the content analysis technique that covers three stages: 1. Pre-analysis, involving the
systematization and organization of the material; 2. Exploration of the material, covering the coding, decomposition, and enumeration of content; 3. Treatment of results and interpretation, which objective is to transform raw results into meaningful and valid information (Bardin, 2011).

The quantitative data obtained through a questionnaire were analyzed using descriptive statistics and non-parametric tests for data comparison analysis, using the Kruskal-Wallis and Dunn tests. The Statistical Package for the Social Science - SPSS version 20.0© software was used for data analysis.

Results and Discussions

4.1 Qualitative Approach

Considering the conducted interviews, to characterize the stakeholders investigated, information was collected regarding gender, age group, education, and length of relationship with the company. The results show that the sample is entirely male, with an average age of 37 years, of high levels of education, and an average length of relationship with the company of 4.3 years (See Table 4).

Table 4
Profile of Stakeholders interviewed

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Gender</th>
<th>Age range</th>
<th>Education</th>
<th>Relationship time with the company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company manager</td>
<td>Male</td>
<td>32</td>
<td>University education</td>
<td>04 years</td>
</tr>
<tr>
<td>President of the local residents association</td>
<td>Male</td>
<td>32</td>
<td>University education</td>
<td>02 Years</td>
</tr>
<tr>
<td>Public manager</td>
<td>Male</td>
<td>44</td>
<td>Postgraduate university education</td>
<td>08 years</td>
</tr>
<tr>
<td>Director of beneficiary institutions 01</td>
<td>Male</td>
<td>32</td>
<td>University education</td>
<td>03 years</td>
</tr>
<tr>
<td>Director of beneficiary institutions 02</td>
<td>Male</td>
<td>37</td>
<td>University education</td>
<td>05 years</td>
</tr>
<tr>
<td>Director of beneficiary institutions 03</td>
<td>Male</td>
<td>45</td>
<td>University education</td>
<td>04 years</td>
</tr>
</tbody>
</table>

Regarding the assertions of Block A, whose objective was to understand the perception of CSR and practices developed by the company, the stakeholders affirm that company X is a socially responsible organization and that its CSR actions are beneficial, legitimizing the
company before the society. On the subject, the organization's manager suggested a possible union with other companies in the city to benefit a greater number of people, which is in line with studies by Yakovlevae (2018), which indicates an expansion of ties to provide benefits to interested parties.

The importance of this positioning was mainly attributed to the satisfaction of the actors involved, support for the community, and greater credibility in society. As for the benefits, support for various social causes, institutions, and sports projects, a focus on environmental concerns that affect the quality of life of the surrounding residents, and the construction of an environment of development and personal satisfaction that has a positive impact on life are reported. Furthermore, it is an example to other companies, offering benefits to the vulnerable population, greater encouragement for employees, and internal financial benefits due to greater recognition in the market, are highlighted. It's important to say that all the external stakeholders investigated said they were aware of the social responsibility projects developed by company X, with a lot of mention of the soccer academy, internal and external training courses for the community, campaigns to collect funds and donations for organizations, and monthly visits to the long-term care institution for the elderly. This information is supported by the research of Barnett, Henriques, and Husted (2020), as it illustrates the nature of CSR.

Considering the answers regarding the objectives pursued by the CSR actions practiced by company X (Block B), the respondents highlighted the goal of serving as an example and motivating other organizations, improving the quality of life and well-being of employees, and the search for a better society. Among the impacts listed, the manager points to economic, social, and environmental benefits, while other stakeholders cite employment generation and better quality of life considering the development of continuous projects that benefit specific institutions and the community in general. These elements can be seen in the study by Aguinis and Glavas (2019).

Finally, in Block C, regarding the level of agreement with Company X's socially responsible stance, the manager pointed to a commitment to the continuous development of new actions that go beyond the definitions of social responsibility cited: providing voluntary assistance to charitable institutions and communities, acting ethically, and being profitable. For the company, there is no factor to be listed as most important, being the alignment of all necessary dimensions, which corroborates the model by Schwartz and Carroll (2003) adopted in this study. When respondents were asked about possible conflicts with the community, they
all stated that it never occurred, as there is a bond of trust based on dialogue between the parties. This statement corroborates the studies by Mercer-Mapstone et al., (2018), which investigated engagement, dialogue, and company-community relations, showing that positive perceptions were stronger precisely in those places where dialogues were more frequent. The most evident returns since company X started investing in social responsibility is the recognition before the market and society, as highlighted by the manager. One of company X’s main aspirations is to leave a positive CSR legacy (Fordham, Robinson; Blackwell, 2017). The other stakeholders are also directed towards this understanding, listing as visible returns social inclusion, organizational recognition as an institution that cares for others, greater approximation and benefit of institutions resulting in a greater quality of life for the entire community.

Finally, it is crucial that managers consider the importance of maintaining a favorable relationship with the community since the priority must be engagement to contribute to local progress. Furthermore, these actions are essential for companies to provide long-term value as highlighted by Meseguer-Sánchez et al., (2021).

4.2 Quantitative approach

The quantitative questions were applied to community residents who live around the company. To characterize the 153 respondents that make up the sample, data were collected on: (C-1) gender; (C-2) age; (C-3) education; (C-4) family income; and finally (C-5) the approximate distance between the residence and the company (See Table 5).

Table 5
Profile of Respondents from the investigated community

<table>
<thead>
<tr>
<th>Block C-1 Gender</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>40</td>
<td>26.1%</td>
</tr>
<tr>
<td>Female</td>
<td>113</td>
<td>73.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Block C-2 – Age group</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 to 28 years</td>
<td>26</td>
<td>17.0%</td>
</tr>
<tr>
<td>29 to 39 years</td>
<td>32</td>
<td>20.9%</td>
</tr>
<tr>
<td>40 to 50 years</td>
<td>39</td>
<td>25.5%</td>
</tr>
<tr>
<td>51 to 61 years</td>
<td>37</td>
<td>24.2%</td>
</tr>
<tr>
<td>more than 62 years</td>
<td>19</td>
<td>12.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Block C-3 - Education</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fundamental</td>
<td>86</td>
<td>56.2%</td>
</tr>
<tr>
<td>Average</td>
<td>45</td>
<td>29.4%</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>20</td>
<td>13.1%</td>
</tr>
<tr>
<td>Graduate</td>
<td>2</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Block C-4 – Income</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 3 salaries</td>
<td>82</td>
<td>53.6%</td>
</tr>
<tr>
<td>4 to 6 salaries</td>
<td>67</td>
<td>43.8%</td>
</tr>
<tr>
<td>more than 7 salaries</td>
<td>4</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Block C-5 – Distance from the company</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 100 meters</td>
<td>13</td>
<td>8.5%</td>
</tr>
<tr>
<td>101 to 300 meters</td>
<td>39</td>
<td>25.5%</td>
</tr>
<tr>
<td>301 to 500 meters</td>
<td>64</td>
<td>41.8%</td>
</tr>
<tr>
<td>501 to 700 meters</td>
<td>27</td>
<td>17.6%</td>
</tr>
<tr>
<td>more than 701 meters</td>
<td>10</td>
<td>6.5%</td>
</tr>
</tbody>
</table>
According to the data obtained, the majority of the sample is female (73.9%). Concerning the age group, an equitable distribution was observed, with the highest concentration being the age group between 40 and 50 years old (25.5%). In terms of education, the majority of respondents have primary education (56.2%) and secondary education (29.4%) and, concerning income, around 97% receive up to 6 minimum salaries. Finally, taking into account the data on the distance from the company, a large part of the sample (41.8%) is between 301 and 500 meters away from the industry under analysis.

With the results of descriptive statistics, obtained using the SPSS software, table 6 was generated, presenting the absolute frequency, relative frequency percentage, mean, mode, and interquartile range of each question in blocks A and B. Based on the values below, the variation in perceptions depending on the distribution of answers given by respondents can be analyzed.

### Table 6

**Descriptive statistics**

<table>
<thead>
<tr>
<th>Assertiveness</th>
<th>Absolute Frequency (Percent relative frequency)</th>
<th>Mean*</th>
<th>Mode*</th>
<th>IR*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Block A</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TO 1</td>
<td>-</td>
<td>2 (1.3%)</td>
<td>10 (6.5%)</td>
<td>84 (54.9%)</td>
</tr>
<tr>
<td>A-2</td>
<td>-</td>
<td>2 (1.3%)</td>
<td>17 (11.1%)</td>
<td>93 (60.8%)</td>
</tr>
<tr>
<td>A-3</td>
<td>-</td>
<td>4 (2.6%)</td>
<td>27 (17.6%)</td>
<td>105 (68.6%)</td>
</tr>
<tr>
<td>A-4</td>
<td>-</td>
<td>-</td>
<td>29 (19%)</td>
<td>102 (66.7%)</td>
</tr>
<tr>
<td><strong>Block B</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-1</td>
<td>-</td>
<td>-</td>
<td>9 (5.9%)</td>
<td>101 (66%)</td>
</tr>
<tr>
<td>B-2</td>
<td>-</td>
<td>-</td>
<td>16 (10.5%)</td>
<td>99 (64.7%)</td>
</tr>
<tr>
<td>B-3</td>
<td>-</td>
<td>4 (2.6%)</td>
<td>15 (9.8%)</td>
<td>83 (54.2%)</td>
</tr>
<tr>
<td>B-4</td>
<td>-</td>
<td>-</td>
<td>29 (19%)</td>
<td>99 (64.7%)</td>
</tr>
<tr>
<td>B-5</td>
<td>-</td>
<td>1 (0.7%)</td>
<td>5 (3.3%)</td>
<td>70 (45.8%)</td>
</tr>
<tr>
<td>B-6</td>
<td>-</td>
<td>-</td>
<td>30 (19.6%)</td>
<td>100 (65.4%)</td>
</tr>
</tbody>
</table>

*Mean, Mode, and AIQ represented in values from 1 to 5 on the Likert scale,
Source: Research data (2020).

Block A of the questionnaire was concerned with investigating the social responsibility actions of company X and the company’s relationship with the community. In this sense, Smith
(2003) and McWilliams and Siegel (2011) assess that the image of a socially responsible company is different, and this improves the relationship with local communities. In general, the results demonstrated that, for each question in block A, the answer given most frequently was partially agree, and this corroborates the studies by Calvano (2008), which states the importance of having a connection between company and community with clear objectives of community development, poverty alleviation, and sustainability.

It is also noteworthy that no respondent totally disagreed with the CSR actions proposed by company X, which leads to the understanding that the organization studied managed to legitimize itself before the community. Barnett, Henriques and Husted (2020) agree that legitimation strategies aim to ensure credibility as a valuable resource in itself. Agudelo, Jóhannsdóttir and Davídsdóttir (2019) add that the acceptability of a company in society is directly linked to the perceptions of stakeholders, therefore companies must take into account the different perspectives and expectations of a group to keep up with new trends.

The next set of statements, block B, aims to understand the level of agreement with what is practiced by company X concerning social responsibility. This refers to the warnings of Gold, Muthuri, and Reiner (2018) about the importance of considering the perspectives of the stakeholders and the need to evaluate how they are being involved in the dialogue and decision-making process, also highlighting that, the more participatory this process is, the more legitimacy the organization will have among this public. There is a homogeneity in the results, and the partially agree option is still the most chosen; however, it is important to note that company X is the largest company in the city, internationally recognized, certified for its CSR practices and strong advertising aimed at sustainability, therefore this may explain the linearity in the responses. As already proven by Ferreira, Ávila and Faria (2019), marketing communication, focused on social causes, is important for the company to consolidate its institutional image through the dissemination of its social practices.

In relation to providing voluntary assistance to charitable institutions and communities, Block B shows that this question was one with the highest response rate, totally agree, given the percentages and higher frequencies regarding the previous ones, seeming to indicate a strong association of actions from the company's CSR to the philanthropic dimension in the perception of its public. This result is supported by what is mentioned in some of the institutional documents researched, such as the Corporate Social Investment Policy, which mentions, respectively, service to the needy population, through CSR actions and donations to social institutions in the community (Arena; Azzone; Mapelli, 2020).
Undoubtedly, the results in Table 6 show that the general rate did not present great variability in the responses, which means that the respondents had practically the same opinion regarding the CSR practices endorsed by company X. It is worth noting that the interviewees had previous knowledge of the company’s actions since they were residents of the surrounding area and, at some point, were in the position of beneficiaries of the projects or even knew someone who was favored.

Next, the Kruskal-Wallis test was applied to compare whether the statements in block A and block B had any influence on the responses in block C, which refers to the interviewee's profile (See Table 7).

Table 7

<table>
<thead>
<tr>
<th>p-value</th>
<th>Sex</th>
<th>Age</th>
<th>Education</th>
<th>Salary</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>BLOCK A</td>
<td>.016</td>
<td>.537</td>
<td>.708</td>
<td>.678</td>
<td>.001</td>
</tr>
<tr>
<td>BLOCK B</td>
<td>.076</td>
<td>.808</td>
<td>.198</td>
<td>.196</td>
<td>.503</td>
</tr>
</tbody>
</table>

Note: when p-value ≤ 0.05, the null hypothesis is rejected, that there is no significant difference between the variable items of block C when analyzing interaction with responses from blocks A and B.

Only the interactions between the variable “block A” and the variable “sex” and the variable “block A” and “distance between the interviewee's residence and the company” showed significant differences according to the Kruskal-Wallis test, with p < 0.05, indicating that the perception of respondents differs when these two parameters of their profiles are taken into account. For the other interactions between responses from block C with responses from blocks A and B, there were no significant differences.

For the interaction between block A and the variable “distance” from block C, the difference is between respondents who live “up to 100 meters” from the company and “301 to 500 meters” (p=0.04) and “up to 100 meters” and “501 to 700 meters” (p≈0.00). In other words, it is suggested that respondents who live closer to company X have a perception that differs from that of those who live in more distant regions. However, statistically, it is not possible to say which group has a more positive perception regarding the CSR of company X. Nevertheless, this finding is supported by postmodern social theory in which individuals have multiple identities that impact their social interactions, that is, the participation of a specific geographic community is just one of these identities; however, within the parameters of communication, several groups may have competing interests and still adopt different identities (Gubrium; Holstein, 2019).
Adonteng-Kissi and Adonteng-Kissi (2017) state that community involvement regardless of age, sex, education, marital status, and occupation of the participants has a positive impact on the management of the company, improving the relationship between the parties which, according to authors, can avoid future conflicts. Sheth and Babiak (2018) infer that a positive perception of CSR among stakeholders helps companies protect their interests, and feedback from local residents reflects that CSR efforts are being perceived positively. Based on the results obtained, it can be seen that there is a positive perception of the local community regarding the CSR actions developed by company X.

Conclusion

This research investigated the local community's perception of the CSR actions of an industrial company based in a predominantly rural region. As theoretical support, the Carroll-Schwartz model was used (Schwartz; Carroll, 2003).

Regarding the results obtained, there is a positive perception among stakeholders regarding companies engaged in socially responsible actions. This raises some possible discussions, the main one concerning the community's view of the importance of CSR actions. Furthermore, other factors emerged, such as dialogue, trust, and proximity, elements already discussed in the literature, but which can facilitate the identification and fulfillment of local demands. Highlighting the sociocultural aspects of the region in which we operate allows us to build relationships aligned with the specificities and endogenous forces that are fundamental to fostering community development.

The advantages of CSR practices have led organizations to make commitments to all interested parties (Barnett; Henriques; Husted, 2020). It is essential to understand the performance of companies in the field of social management, which style, performance, and management models adopted are marking a new way of understanding and acting on complex social problems. As in the case studied, there is an increasingly frequent narrative in the literature about the execution of projects that go beyond the obligation to simply comply with current legislation.

Paying taxes and observing adequate safety and health conditions for workers are important corporate social functions. But the company that understands its strategic role in community development invests in improving living conditions, takes responsibility for protecting the environment, and values cultural heritage. The strengthening of relationships
with employees and gaining respect from the community in which it operates come as a consequence of these positive attitudes.

Based on the evidence observed in the present study, the contribution aimed at evaluating the mechanisms that characterize the management of corporate social projects stands out. There are innovative possibilities for transforming the relationship between the public and private sectors in terms of governance and execution of social programs.

One of the limitations of this article is the sample definition, which did not include supplier stakeholders, employees, or residents of other regions of the municipality. Another limiting factor may have been the methodological approach in preparing the questionnaire, which determines the validity of the results based on the choice of certain variables that influence the perception of CSR actions, to the detriment of other possible variables.

As a suggestion for future research, the first step is to expand the sample to include other stakeholders. It is also recommended to include new constructs in the model used, which will increase the possibilities for analyzing the factors involved in the perception of CSR practices. Furthermore, the study encourages investigation into the effects of organizational communication discourses on the perception of stakeholders.

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References


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