

*Corporate social responsibility concept and its application  
extend in the Algerian economic corporates*

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**Abstract:**

Corporates relationship with their milieu should be built on the bases of reciprocal interest and interaction, and because corporates take all their needs and resources from society, that imposes them in opposite to take upon themselves a social responsibility represented in protecting its milieu and contributing in its development on the different dimensions: community, human resources, consumer, and environment protection. We have taken the Algerian economic corporates as an example to study this subject.

ملخص:

تتمتع المؤسسات الاقتصادية بصفة المواطنة التي تعطيها الحق في استغلال كافة الموارد المتاحة في محيطها، الأمر الذي يحتم عليها أخلاقيا في مقابل ذلك حماية هذا المحيط والمساهمة في تنميته، وهذا ما يسمى "المسؤولية الاجتماعية للمؤسسات"، والتي تنفرع عبر أربعة مجالات: العلاقة مع المجتمع، الموارد البشرية، المستهلك، حماية البيئة. لقد تم إجراء دراسة تطبيقية على مجموعة من المؤسسات الاقتصادية الجزائرية للوقوف على وضع المسؤولية الاجتماعية للمؤسسات في الجزائر.

**Introduction :**

The huge development in the business environment which has touched all acknowledge fields, like economy, management..., has influenced economic corporates with wide way, shifted a lot of ideas and created new needs, duties, concepts and approaches.

Before, corporates were caring just about "profit", without having attention to the different agents that have role in profit making process. This selfish behaviour was offensive for society and drained its resources.

For the aim of addressing the situation, it appears a new approach "corporate social responsibility", based on the idea of corporate moral personality, which allows it to be as a normal citizen in the society, has the right to use its resources, and the duty of protecting it and contributing in its development.

That puts corporates in front of new challenges between respecting their social role and realizing their economic objectives. That's why, the current study is conducted, to know corporates dealing way with social responsibility subject and we have taken the Algerian economic corporates as an example.

So, we can abstract the research problematic in the following question:

What is the corporate social responsibility approach? And what is the extent of its application in the Algerian economic corporates?

## ResearchHypotheses

### Main Hypothesis

«Algerian economic corporates care of and are committed to social responsibility."

### Sub-Hypotheses

This hypothesis is divided into the following sub-hypotheses:

- 1- The General Managers of the Algerian economic corporates are aware about corporate social responsibility concept;
- 2- The General Managers of the Algerian economic corporates careforsolidifyingsocial responsibility concept within their corporations;
- 3- Algerian economic corporatesare committed to their social responsibility:
  - Algerian economic corporates arecommitted to social responsibility in the dimension of relationship with community;
  - Algerian economic corporates arecommitted to social responsibility in the dimension of relationship with human resources;
  - Algerian economic corporates arecommitted to social responsibility in the dimension of relationship with consumer;
  - Algerian economic corporates arecommitted to social responsibility in the dimension of environmentpreservation.
- 4- The materiality of corporate social responsibility dimensions is different between them.

### Purposeof Study

This research is conducted with the aim of:

- Identify the temporal development of corporate social responsibility concept and the various phases going through;
- Showing the various definitions of «corporatesocial responsibility" term;
- Knowingthe dimensions of corporate social responsibility;
- Knowing corporate social responsibility situation in the Algerian economic corporates.

### Significance of Study

The importance of this study lies in its contemporary subject, whichisrelatedtothe evolution of administrative and economic thought, from the side of corporate's role in itsmilieu,its duties towards it, and the extent of awareness and understanding of the economic corporates managers with thenew requirements to the stakeholders.

#### I. The Evolution ofCorporate Social ResponsibilityConcept

In the current era, the economic aspect inefficient to achieve the excellence.

Nowadays, corporates have to work to improve their capacities in integrating and communicating with the society through their contribution in its development and construction.

### 1. The Emergence of Social Responsibility Concept

The concept of corporate social responsibility is crystallized through three phases:

#### 1.1 Profit-Maximizing Phase 1800-1920

This phase starts after the Industrial Revolution<sup>1</sup> which is considered as the birth of new economic era, in break with the previous economic practices which are relied on subsistence agriculture and crafts as main resources for living. The industrial revolution is characterized by the emergence of factories and scientific inventions, which led to increase production's quantities and shorten time.

This period was marked also by the emergence of economic theories, like "Adam Smith theory" which claims by capitalism, and its main slogan is "laissez-faire, laissez- passer". "Adam Smith" called for Non-intervention of state in the economy, protecting and enhancing the idea that "the owners have a complete freedom in running their corporations as long as the goal is to maximize profit"<sup>2</sup>.

So, we note at this stage the existence of two social categories: Category of bourgeois (corporates owners) and category of toiling workers; that was exploited in inhuman ways, and lives a hard life, where it was working one hundred hour a week, away from any insurance or industrial security.

All this in exchange for pittance; and the reason of this inhuman situation that was lived by the workers, is the desire of owners to maximize profit and expand factories and develop industry; without thinking to bear any costs that will improve the workers lives and work conditions"<sup>3</sup>.

These conditions led to weaken workers' productivity and deteriorate their health, and that was the reason of emergence of anti-owners ideas inside and outside the corporates, and here, the thought in the interest of this wealth's generator element "workers" has begun. In that side, many studies and theories have been done, such as those for measuring the movement by time, the effect of improving work conditions on workers' productivity, the influence of incentives and wage increases on productivity...<sup>4</sup>.

According to our point of view, these studies and theories based on studying the worker were unfair; they have worked on improving some aspects of workers life and work conditions, against the depletion of their energies and giving them wages that are not equal to their efforts. So, several streams have emerged and called for the insurance of worker's safety in the workplace, reduction of working hours and prevent child labor. That could help to correct the administration overview about profit, and shift it from trying to

achieve the maximum profit to achieve the "appropriate profit," which fulfillsthe self-interest of corporates and workers together.

As a summary, we can say that this phase is characterized by thenon-existence of any idea or concept of social responsibility, all of what we find is not more than a simple practices to improve work conditions in order to increase the workers' productivity; and we see also a complete lack of environmental awareness; saw a large drain and irrational use for natural resources, and high pollution rate resulting from factories wastes that have not given any attention, despite its negative impact on the lives of individuals and society.

### 1.2. Perception Phase1920-1960

This phase is characterized by the growth of awareness of corporateactivityeffects on its milieu, and advocating corporates to assume their responsibilities in this side.Sheldonwas the first who pointed out that "the responsibility of each organization is determined by their social performance and utility achieved for the society". This call coincided with the period of the Great Depression<sup>5</sup> as a result of imbalancebetweensupply and demand, and the emergence of Keynesthery, which calls for state intervention in the economy to restore balance and work to enact laws to raise the workers' wages and improve their life situations<sup>6</sup>.

Also we note that this period has been characterized by the growth of workers consciousness and the onset of labor unions that were calling for determining work hours and raising wages, health insurance and retirement.... These unions have evolved and grown up and they become a point of pressure that has its weight on the economic and political domainbecause of the strikes organized by it, which caused huge losses to corporates, as a result of these stressful circumstances, and workers could get many of their demands and rights<sup>7</sup>.

The crucial period in this stage was after World War II<sup>8</sup>, so, after two world wars in a row, the state intervention was necessary to re-organize the various aspects ofcitizen's life and work to steer the economy in order to serve the state development goals and guaranteerespectable living standard for individuals. For this reason, the State has imposed on corporates to respond to manyworkersdemands, likesetting a minimum wage, involving workers in the board of directors, enabling them to health and social insurance, government has also enacted laws relating to work incidents<sup>9</sup>.

This stage knew the emergence of so-called "pressure groups" like consumer protection associations, environmental protection associations, association of Greenpeace<sup>10</sup> ..., which benefited from the evolution ofcommunication means to work on deepening the understanding of various aspects of social responsibility, and it has practiced abig pressures on corporates and

governments in order to preserve the environment and reduce toxic emissions and contaminated materials; and also, protect consumer across raising his awareness, and discussing sensitive issues relating to non-validity of the products, cases of food poisoning ...

As a summary for what we have discussed above, we find that the perception of social responsibility at this phase is influenced by the ideas of Sheldon, where he sees that plus for the corporate traditional economic responsibility, there is a social responsibility which is taking attention from stakeholders interests. We can classify stakeholders into two types: internal stakeholders who are the owners and workers; and the external stakeholders who are consumers and the public and pressure groups. We also note that this responsibility has two forms of binding: an official form represented in laws enacted by governments; and unofficial form stemmed from the fear of pressures that can be exerted by lobbyists.

### 1.3. Quality of Life's Management Phase 1950 on

The situation that prevailed in the second phase and protest movements that witnessed and the growth of social awareness, enabled the passage to a new phase characterized by the recognition of the corporates social responsibility, and that supposes, that the corporate should respect and abide its responsibilities towards its society. In order to achieve this aim, countries and international bodies started to prepare laws and moral codes, where adjust the rights and identify practices that are considered "excesses" and the sanctions applicable on the offending and evasive corporates from social responsibility commitment.

This phase knew also the onset of books and publications that discuss the subject of social responsibility, one of the most famous books was "the social responsibility of business" for the American author Howard Bowen 1953<sup>11</sup>, who is nicknamed by "founding father" of the current concept of social responsibility, this book has met a wide fame during the sixties; Howard Bowen called on the corporates to go beyond the traditional economic objectives and take voluntary commitment to achieve the other objectives of the social side.

This approach adopted by Howard Bowen was a compromise between what is called for by the Keynesian school from state intervention to define the responsibilities of corporates, and the principle adopted by the classical school "laissez-faire, laissez- passer"<sup>12</sup>.

The emergence of "stakeholder theory" 1963, played a big role on the evolution of social responsibility concept, it's a socio-economic theory about organizational management and business ethics that addresses morals and values in managing corporates. This theory enacts, that the corporate

relationship with business environment is not limited with just the shareholders, but rather it includes all the parties that interact with it and affected by it<sup>13</sup>.

As an abstract for the above, we find that the concept of social responsibility at this phase is influenced by the circumstances of the period that were therein; the birth of "stakeholder theory", which had a significant impact on the course of the evolution of social responsibility concept. The American economist Paul Samuelson<sup>14</sup> said that "large corporate these days is not the only which concerns of social responsibility, but make sure that it works the best it can to do so."

## 2. The Definitions of Corporate Social Responsibility

The definitions given for corporate social responsibility keep pace with the concept evolution phases, that's what justify the absence of any definition for CSR till the third phase, because of the absence of CSR concept in the first phase, and the second phase represents just the beginning of awareness and understanding the social side of corporates responsibilities, which means that this period has been concerned with the construction of the concept of CSR and draw attention to it and did not evolve to the point of putting definitions. We have here a set of definitions given for CSR:

Drucker definition<sup>15</sup> (1970): he sees that corporate social responsibility is "The commitment of the business organization toward the society."

We note that this definition is broad and does not determine neither CSR dimensions nor commitment nature (voluntary or mandatory).

Strier Definition<sup>16</sup>: considered the social responsibility as «society expectations to the organization initiatives in the different dimensions of the social responsibility of organizations towards society»;

We can see that this definition has referred to the existence of different dimensions of corporate social responsibility, but without mentioning them. We note also that the use of the word "expectations" seems inaccurate, because society expectations are built on the basis of the awareness degree prevailed there, which is related in turn to the economic development degree, education level and the mainstream culture in society. Usually, there is a low level of awareness in the developing countries in comparison with the developed ones, and that may lead to build of narrow expectations do not include all the elements and dimensions of corporate social responsibility, which give an opportunity for corporates working in this countries to evade their responsibilities.

Holmes Definition<sup>17</sup> (1976): he sees that CSR is «The commitment of the business organization towards the surrounding society. This commitment is translated into the participation at multiple social activities such fighting poverty, improving health care services, combating pollution, creating new

job opportunities, solving the problem of housing and improving the transportation system,"

This Definition is more sophisticated,precised and compacted than its predecessors, and it shows the ethical and environmental aspects of corporate social responsibility.

World Business Council for Sustainable Development definition<sup>18</sup>(1998) is "Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large."

We remark here the confirmation on the ethical aspect of corporate work.

#### Procedural Definition

From all what we have seen above, we could give the following definition of corporate social responsibility "CSR is asemi-voluntary strategic commitment by the corporate, in line with theethical values prevailing in the communities, and aims to achieve the welfare of society and the preservation of the environment."

We have used the term "strategic" in this definition to show the need to overcome the traditional idea about corporate social responsibility, which looks at it as mere charity, but rather it represents a work policy and an element of the corporate strategy. This definition focuseson the term "semi-voluntary", because we find many laws, local and global initiatives that makethe commitment to some social responsibility elements imperative for corporates, so, these elements lose their voluntary status. The term "welfare of society" is used hereto include all the initiatives launched by the corporates, of all types and fields, whether voluntary or mandatory.

#### 3.Dimensions ofCorporate Social Responsibility

The classifications ofcorporate social responsibility dimensions are multiplied, fromresearcher to another and from organization to another, depending on the interest of each hand and the objectives of thisclassification. Among them, we find Grayclassification which isbasedoncorporates current circumstances, where he deducedfour dimensions<sup>19</sup>:

a. The Relationship with the Community: it includes all the activities that affect the various segments of society, and contribute to its well-being; such as: supporting charitable and cultural associations, supporting people with special needs...

B. The Relationship with the Human Resources: it means the social activities related to human resources, which effectively contribute to achieve the corporate objectives; and consist principally of the corporate strategy to keep

their human resources, increase their level and improve work and life circumstances.

C. The Relationship with the Consumer: For each what the corporate does in order to achieve consumer satisfaction and attraction, through continuous work on product development, increasing its quality, conduct surveys to know consumer suggestions and opinions about the product...

D. Preservation of the Environment: includes various efforts to reduce the negative impacts of the corporate's activities on the environment; such as rational energy and natural resource consumption; the use of means of reducing pollution, waste disposal properly...

We see that Gray classification is simple, clear and inclusive for the various axes of corporate work, which makes it easy to understand and apply, and therefore it has been adopted in conducting the empirical study.

#### 4. Arguments For and Against the Corporate Social Responsibility

Economists and researchers on corporate social responsibility subject are divided between supporters and opponents; and each hand gives its justification of its point of view:

A-Arguments For: Supporters of corporate social responsibility see that each corporate has social role bound by it, stems from being having the status of "citizenship"; and they use the following arguments to prove their point of view:

- The big companies have huge resources allow them to be a principle partner in the development process; by helping the state to invest in major projects, which require huge financial and human capabilities that state might cannot provide alone, because of its heavy responsibilities;
- The voluntary adoption of corporate social responsibility programs in the companies, helps to create a comfortable atmosphere in general, allowing the state to dissolve the issues and problems which are more important; and therefore reduce the cases of state intervention, which is usually done through the issuance of laws, legislation and regulations;
- The corporate commitment to its social responsibility, makes it safe from getting conflict with a stakeholder, for example, environment protection associations...; thus helps it to save the costs and indemnities of issues resulted from these conflicts, as well as the losses that may occur as a result of the deterioration of the corporate's reputation in the market;
- Several studies confirm the existence of a positive relationship between the caring of corporate social responsibility and corporate performance level and financial profits; In one of the studies relied on comparing corporate market shares values, it was noted that the corporate that

adopt social responsibility programs surpass those that do not pay attention to this aspect by 2-3 times; and this is due to the growth of consumer perception and awareness of the importance of the corporates social role. In another study, which is about behaviour patterns conducted by "KONE" (2008), a researcher from "Duke University" in the United States, the study involved more than 1,000 people, has shown that 79% of consumers are ready to replace the product they use by a rival product has a different brand with the same quality and price, if its company has demonstrated its care of social, environmental or humanitarian issues<sup>20</sup>;

- Improve the corporate reputation which facilitates the process of borrowing from the banks and increase the ability to attract investment;
- Increased productivity as a result of the improvement in the relationship between administration and workers; the adoption of social responsibility programs leads to a reduction in the number of absences, limitation in the phenomenon of neglect, the growth of workers awareness and their understanding that their own objectives can only be achieved by achieving the corporate objectives;
- Achieving the satisfaction of employees leads to increase the corporate ability to retain the qualified ones; and consequently reducing new recruitment and training costs<sup>21</sup>.

B- Arguments Against: There are several reasons on which the opponents of corporate social responsibility base; are as follows:

- The fear from the increase of large companies power; particularly in developing countries, where that the increase of their influence and the acquisition of monopoly power and their control over the sensitive sectors in the state, make them difficult to monitor or be subject to the country laws<sup>22</sup>;
- Incurring additional costs in order to apply social responsibility programs leads to increase prices of corporate products and thus lower its competitiveness in front of those which do not apply such programs;
- Caring of achieving social objectives and providing the means and resources necessary to do so; weaken the corporate concentration and reduce the effort should be exerted to achieve the main goals, because the social programs absorb a considerable energy from the corporate efforts;
- Corporate is incompetent to deal with social issues, it does not have neither the technical skills, nor the knowledge about what is good and a priority for the community, unlike the state;
- Legitimacy: corporates pay for state in order to do its social duty, so, each hand should respect its work and field of competence; corporates

are concerned with the development of the economic sphere and the state falls upon itself to develop the social aspect<sup>23</sup>.

Through this brief overview of the various arguments adopted by the supporters and opponents, which seem at mostly convincing; we see and we believe that the corporate relationship with the subject of social responsibility must be set a balance between the economic interests of the corporate, which are the state and community interests also, and their responsibilities towards the society where it works, and it should respect and preserve it.

Opponents of social responsibility idea, are claiming corporates indirectly to elude their responsibilities towards society, and they inspire their ideas from the neoclassic school, which calls the corporates and managers for giving all their attention to maximise profits, despite that this corporates derive their resources from the society and the surrounding environment, and they have the status of citizenship which confers them all the rights given to a normal person, and hence, take advantage of all the resources and facilities harnessed by state to facilitate the life and the work of people. That puts the corporates in the status of the debtor person, who must work to pay off the debt through its commitment of the social responsibility in its various dimensions, of course taking into account the different degrees of importance between these dimensions.

#### 5. The Debate about the Nature of Commitment of Corporate Social Responsibility

The most controversy point in the subject of corporate social responsibility is the nature of its commitment, and if we were discussed the justifications and the arguments of the backers and the opponents of the idea of the corporate commitment to social responsibility, in the previous requirement; in this requirement, we discuss the supporters point of view, in terms of the nature of this commitment as if it is voluntary or mandatory.

Many people tend to let social responsibility practices voluntary, to be compatible with corporates desires and possibilities, thus, the flexibility in the application makes corporates more acceptable to the topic and more serious in it. When corporates practice the social activities that suit it and which are consistent with its strategy, it would be more careful on its success. This talk leads us to think to exceed the legal outlook, which is based on the idea of enacting laws oblige corporates to adopt social activities; because; when we talk about social responsibility, we do not discuss the extent of the corporates legal obligation and its respect for laws; but, this legal commitment is considered a starting point for corporate social responsibility<sup>24</sup>.

Regardless than the prevailing idea which is "the voluntary commitment» for CSR; however, this floating idea could not adjudicate the debate about the nature of social responsibility commitment. The opponents of the idea of forcing corporates to assume social responsibility, argue with major problematic centered on the role of Global Codes of Conduct, and their suitability.

Whereas, some promoters for social responsibility, believe that it may be an effective alternative for "regulation" which means forcing by using the Authority power or international bodies that have leverage. These promoters want from corporates to translate their acceptance of social responsibility to voluntary initiatives; which are considered the best way and the most suitable to address the negative effects of corporates activities<sup>25</sup>.

The distinction of corporate social responsibility nature in terms of voluntary or mandatory, is not an aim in itself, the corporates initiatives often reflect the voluntary nature for the social responsibility commitment; and as social responsibility activities are not-binding, the corporate has the freedom to choose what suits it and what can be considered among its responsibilities towards the society, with the help of the codes and standards.

So, implicitly, it is preferable that these standards and codes be whether national or international non-binding, to be easy to accept and apply, and to give the necessary flexibility to corporates in order to balance the society expectations and their economic objectives.

But the influential and the crucial factor in the decision of the adoption of social responsibility programs or not is a "the business environment atmosphere"; whereas many studies indicate that there is a positive financial results sourced from corporates social responsibility commitment, which can also enabling them to occupy leading positions in the market. So, with indirectly way, it has become mandatory for corporates to pursue this path to maintain their positions in the market, develop their market shares and increase their competitiveness<sup>26</sup>.

The debate about the nature of commitment to social responsibility is still standing, although the inclination of scales is in favor of the "voluntary" idea. But, we believe that the concept of social responsibility is "semi-voluntary" or "quasi-mandatory" concept; and we can distinguish between what is mandatory and what is voluntary through prioritization; where we find that among the terms of the social responsibility that do not assume any override, and they are recognizable items which have international consensus such as the establishment of work hours, work conditions, the validity of products, respect for the quality of materials standards, the prevention of child labor ...; and for ensure respect for these items, the state must intervene by issuing strict, clear and binding rules.

In the case of the other items, like charity, sponsoring, granting a financial facilities for workers, formations for workers for the purpose of raising their level ..., it is preferable to be facultative, according to corporates capacities, material and human capabilities and the economic objectives.

## ii. The Empirical Study

### 1. Data Collection Tool

For the purpose of building a ground for the topic; the questionnaire will be the most suitable method to be used, which is based on a set of questions destined to Corporate Director-General who represents the first responsible on the corporate policy and strategy.

The questionnaire is administered into two languages: Arabic and French. This questionnaire is designed to find out the reality of social responsibility application in the Algerian economic corporates; by answering on 50 questions distributed on the sub-hypotheses for the main premise.

### 2. Study Population and Sample

**Population:** The study population is the Directors-General of the Algerian economic corporates;

**Sample:** we have chosen purposive sample; whereby, we destine this questionnaire to the general managers of the large Algerian economic corporates; where we can distinguish them according to two standards<sup>27</sup>:

- **Workers Number Standard:** whereby it is considered a large organization, every organization employs more than 250 workers;
- **Annual Turnover Standard:** where a large company is each corporate achieves an annual turnover of more than two billion dinars (2.000.000.000 DA).

We shortlisted these corporates without the others, because of their financial resources and human cadres, that enabling them to work more effectively in the field of social responsibility, unlike the small and medium-sized economic corporates that do not possess these possibilities.

We took a period of 9 months to carry out this study, from June 2014 to February 2015, between preparation, distribution and analysis; we can justify the length of time by following reasons:

- The period July-August synchronizes with the summer vacation, whether at the university level; where it is difficult to get the internship letters, that are requested by the corporates in order to fill the questionnaire, or at the level of administrative and economic corporates; where in many cases we found that the intended firms are on holiday, by consequence, the number of questionnaires collected in this period was very small.

- Thenon-existence of a database of corporates classification by size; where it was very difficult to prepare a list of this kind of corporates, in order to contact them.

Eventually, we have distributed 50 questionnaires, 31 of them were recalled, after their examination, we found that they are all safe to use.

### 3. Description of Data Collection Tool

The answers were classified according to triple Likert Scale, because the most questionnaire questions are application questions, which cannot tolerate more than three degrees, we also took into account the different answers formats between the different types of questions contained therein:

Table (1): various formulas used in the questionnaire

|                                |                         |                    |                           |                |
|--------------------------------|-------------------------|--------------------|---------------------------|----------------|
| Opinion questions              | agree significantly     | agree somewhat     | disagree significantly    | without Answer |
| Application questions          | yes                     | sometimes          | No, do not                | without Answer |
| Sort by degree of significance | important significantly | important somewhat | unimportant significantly | without Answer |
| Degrees approved               | 3                       | 2                  | 1                         | 0              |

Source: prepared by the researcher

We measured the stability of questionnaire by calculating Cronbach's alpha coefficient, which achieved 0.896. We have used also Kolmogorov-Smirnov test that showed that all the questionnaire axes follow a normal distribution; which allowing us to use the Student test to test the assumptions.

### 4. Hypotheses Testing

#### 4.1 The Main Hypothesis

«The Algerian economic corporates care of and are committed to social responsibility.»

To answer on this promise, we should answer on its four sub-hypothesis.

#### 4.2 The First Sub-Hypothesis Test

The Algerian economic corporates managers are aware about the concept of corporate social responsibility.

Table (2): the first sub-test the hypothesis results

| The Statement            | Arithmetic Mean | Relative Weight % | T value | Significance Level |
|--------------------------|-----------------|-------------------|---------|--------------------|
| The first sub-hypothesis | 2.43            | 82                | 5.239   | 0.000              |

Source: prepared by the researcher according to SPSS program output

We Note from the table that the significance level is 0.000 less than 0.05, which means accepting the alternative hypothesis, and the relative weight is 82%, indicating that the Algerian economic corporates managers are aware about the concept of social responsibility.

#### 4.3 The Second Sub-Hypothesis Test

The Directors-General of the Algerian economic corporates care of solidifying the social responsibility concept within their corporates.

Table (3): the second sub-test the hypothesis results

| The Statement             | Arithmetic Mean | Relative Weight % | T value | Significance Level |
|---------------------------|-----------------|-------------------|---------|--------------------|
| The second sub-hypothesis | 1.64            | 54.67             | -3.398  | 0.002              |

Source: prepared by the researcher according to SPSS program output

The second assumption realized a level of significance of 0.002, which means the alternative hypothesis is accepted, and the arithmetic mean 1.64 less than 2; it means that the Algerian economic corporates managers do not care of solidifying social responsibility concept within their corporates.

#### 4.4 The Third Sub- Hypothesis Test

The Algerian economic corporates are committed to social responsibility.

To answer on this hypothesis, we should process it according to the four dimension of corporate social responsibility; the following table shows the results:

Table (4): the third sub-test the hypothesis results

| The Statement                     | Arithmetic Mean | Relative Weight % | T value | Significance Level |
|-----------------------------------|-----------------|-------------------|---------|--------------------|
| Relationship with community       | 1.69            | 56.33             | -3.793  | 0.001              |
| Relationship with human resources | 2.07            | 69                | 0.819   | 0.419              |
| Relationship with consumer        | 2.21            | 73.67             | 1.366   | 0.182              |
| Environment preservation          | 1.90            | 63.33             | -0.771  | 0.446              |
| Sub-third hypothesis              | 1.96            | 65.33             | -0.525  | 0.606              |

Source: prepared by the researcher according to SPSS program output

For the premise of the commitment of Algerian economic corporates to dimension of relationship with community, we note that the level of significance achieved is 0.001 less than 0.05, so, we accept the alternative hypothesis which means that the mean of answers is materially different from non-permanent application degree « sometimes", and the relative weight of the answers is 56.33%, and the arithmetic mean is 1.69 less than 2, so; we conclude that the Algerian economic corporates do not adhere to their social responsibility in the dimension of relationship with community.

For the hypothesis of the commitment to relationship with human resources dimension, we find that it achieves a level of significance 0.419

higher than 0.05, which means, the Algerian economic corporates are committed moderately to their social responsibility in the dimension of relationship with human resources, and we note that the corporate's commitment to the clauses of this dimension is effected by two main factors: the corporate financial situation and its geographic location.

For the premise of the commitment of the Algerian economic corporates to dimension of relationship with consumer, the level of significance has achieved is 0.182 higher than 0.05, so the Algerian economic corporates are committed sometimes and not permanently to their social responsibility in this dimension.

For hypothesis of commitment of the Algerian economic corporates to their social responsibility of environment preservation dimension, we note that it achieves a level of significance of 0.446 higher than 0.05, so, the Algerian economic corporates are committed sometimes and not permanently to their social responsibility in the dimension of environment preservation

For the third sub-hypothesis of the commitment of the Algerian economic corporates to their social responsibility, we find that it achieves a level of significance of 0.606, which means the acceptance of the null hypothesis, that answers surveyed do not differ materially from 2, and we conclude that the commitment to social responsibility at the level of the Algerian economic corporates is not characterized by as permanent, but they are just practices that are carried out from time to time.

#### 4.5 The Fourth Sub-Hypothesis Test

The materiality of corporate social responsibility dimensions is different between them.

Table (5): the fourth sub-test the hypothesis results

| The Statement                     | Arithmetic Mean | Relative Weight % | Rank | T value | Significance Level |
|-----------------------------------|-----------------|-------------------|------|---------|--------------------|
| Relationship with community       | 2.61            | 87                | 3    | 6.892   | 0.000              |
| Relationship with human resources | 2.84            | 94.67             | 1    | 12.490  | 0.000              |
| Relationship with consumer        | 2.84            | 94.67             | 1    | 10.277  | 0.000              |
| Environment preservation          | 2.52            | 84                | 4    | 4.593   | 0.000              |

Source: prepared by the researcher according to SPSS program output

Is clear to us from the table above, that the fourth sub-hypothesis is unrealized; where according to the levels of significance realized which is 0.000 less than 0.05, and the arithmetic mean calculated is more than 2, we

conclude that all the dimensions of social responsibility acquire the same degree of importance "highly important."

#### Conclusion:

After what has been presented in the theoretical and empirical sides of study, the researcher achieved the following results:

- 1- Corporate social responsibility commitment is in general voluntary, but some sensitive clauses are imposed by law power, like working time, minimum wage, respecting products standards...
- 2- Algerian economic corporates managers are aware of the concept of social responsibility, and they support the idea of voluntary initiative in social practice and not just meeting the legal requirements;
- 3- Algerian economic corporate in general do not bother with the solidifying of social responsibility within the organization; but we can notice that corporates have ISO certifications, are more careful, interested and aware of respecting their social responsibility;
- 4- The Algerian economic corporates commitment to social responsibility do not characterized by as permanent, they are just irregular practices done from time to time;
- 5- the Algerian economic corporates administrations give to the all dimensions of social responsibility the same degree of importance; where they are all classified in the category of "important significantly"; As for the arrangement inside this box, we find that the dimensions of the relationship with human resources and the relationship with consumer are ranked in the first place, while the relationship with community is ranked third, and the preservation of the environment Fourth.

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