

“Relationship between Social Corporate Responsibility and Supply Chain; A Case Scenario of Islamabad Region”



By: Name : Mehboob Abbas
 Enrl No : 01-222122-023

Supervisor: Osman Bin Saif

Department of Management Sciences (MS)
Bahria Institute of Management and Computer Sciences
Bahria University Islamabad
12th Jan, 2015

“Relationship between Social Corporate Responsibility and Supply Chain; A Case Scenario of Islamabad Region”



By: Name: Mehboob Abbas
Enrl No: 01-222122-023

Supervisor: Osman Bin Saif

**A research thesis submitted in partial fulfillment of the requirement
for the degree of MBA**

**Department of Management Sciences (MS)
Bahria Institute of Management and Computer Sciences
Bahria University Islamabad
12th Jan, 2015**

ABSTRACT

On daily basis we can read countless stories concerning frauds, bribery, safety, human rights and philanthropy. These all issues fall under the rubric of Corporate Social Responsibility (CSR). These facets has been defined as “Corporate activity and its impact on different social groups” (Sethi 1995,p. 18). Despite potential impact of CSR, little is known about how it impacts on Supply Chain. More specifically, we as a society are unaware of how CSR activities might affect the upstream and downstream of supply chain in terms of organizations ultimate objective of profitability.

In developed nations ethical considerations, consumer criticism on CSR in the Supply Chain processes are taken very seriously note which are harmful to corporate profitability and market share. However, in developing nations like Pakistan the infusion of supply chain accountability into CSR only increases the complexity. However, companies may find it difficult to anticipate future CSR issues in their supply chains and integrate supply chain CSR standards into normal operations to ensure organizational objectives. Various researches has established that the general perspectives of supply chain CSR that are applied across industries are different (Carter, 2004; Carter and Jennings, 2002a, b, 2004), as organizations have unique supply chains and subsequent distinct supply chain CSR issues.

This research has added new insights value and importance of adopting CSR in Supply Chain for businesses in Pakistan. The research was limited to the private sector of the twin cities of “Rawalpindi and Islamabad” of Pakistan. Therefore, this may limit the generalize ability of the research results. Islamabad being the capital of Pakistan and Rawalpindi being adjacent to the capital of Pakistan fall under the ambit of advance cities, thereby such independent and dependent variables were selected which can be pursued and tested with the input of executives, managers and employees of the organization, in order to have perceptual filters that affect the implementation of CSR in Supply Chain relationship in Pakistan’s context.

Keywords: Corporate Social Responsibility (CSR), Supply Chain, Ultimate objectives, Tsunami.

ACKNOWLEDGEMENTS

All thanks to **ALLAH ALMIGHTY**, the benevolent and compassionate, who blessed me with the power & capabilities and remained contented on all intricacies found during the successful completion of my task.

I extend my special thanks to my **Supervisor Osman Bin Saif** for his invaluable guidance and supervision to make my Research Project a real learning experience and to fulfill the degree requirement. I also acknowledge my **Parents** for their prayers, my **Wife** for her throughout support in fulfilling social life obligations and **Teachers** for their guidance because I think all these are indispensable for success in every stage of life.

TABLE OF CONTENTS

CHAPTER-1	1
INTRODUCTION	1
1.1 Background of the study.....	2
1.2 Overview of the Context.....	5
1.3 The Purpose of the Study.....	6
1.4 Objective of the Study.....	7
1.5 Problem Statement.....	7
1.6 Research Questions.....	8
1.7 Framework.....	8
1.8 The Structure of the Thesis.....	9
CHAPTER- 2	11
LITERATURE REVIEW	11
2.1 Back Ground - CSR	11
2.2 Adopting CSR in Supply Chain is an Insurance.....	14
2.3 Risk of Non-Compliance to CSR Issuance in Supply Chain.....	15
2.4 CSR in the Supply Chain.....	16
2.5 CSR and its ground Reality.....	17
2.6 Why Map CSR and Supply Chain Relationship in Pakistan?	17
2.7 How does Relationship Between CSR and Supply Chain Figure’s InPakistan’s Context?.....	19
2.8 CSR Practices in Pakistan Along the Supply Chain.....	19
CHAPTER- 3	22
THEORETICAL FRAMEWORK	22

3.1	General Description of the Framework.....	22
3.2	Summary.....	23
CHAPTER -4.....		25
RESEARCH METHODOLOGY.....		25
4.1	Overview of Research Objectives.....	25
4.2	Overview of The Research Design.....	27
4.3	Research Methodology.....	28
4.4	Population.....	29
4.4.1	Sampling Plan.....	29
4.4.1.1	Sampling Units.....	29
4.4.1.2	Sample size.....	30
4.4.1.3	Sampling Technique.....	30
4.4.1.4	Instruments and measures.....	30
4.4.1.5	Data collection.....	30
CHAPTER - 5.....		32
CRITICAL ANALYSIS OF COLLECTED DATA.....		32
5.1	The Demographic Profile.....	33
5.2	Analysis & Findings.....	33
5.3	Factor Analysis.....	33
5.2.1	Adopting CSR in Supply Chain can be an Insurance of the Brand.....	34
5.2.1.1	Standard Deviation.....	34
5.2.1.2	Correlation.....	34
5.2.1.3	Regression.....	34
5.2.2	Non-Adherence to CSR in Supply Chain can be a Tsunami.....	34

5.2.2.1 Standard Deviation.....	34
5.2.2.2 Correlation.....	34
5.2.2.3 Regression.....	34
5.2.3 Can Relationship Between CSR and Supply Chain meet the Ultimate Objectives of an Organization	35
5.2.3.1 Standard Deviation.....	35
5.2.3.2 Correlation.....	35
5.2.3.3 Regression.....	35
5.4 Summary.....	35
CHAPTER – 6.....	36
CONCLUSION.....	36
6.1 Study Objectives.....	37
6.2 Study Hypotheses.....	37
6.3 Key Findings.....	38
6.4 Benefits in Implementation of CSR in Supply Chains.....	38
6.5 Implications.....	39
6.6 Significance/ Justification of Research.....	40
6.7 Limitations.....	41
6.8 Further Research /Recommendations.....	43
6.9 Summary.....	44
BIBLIOGRAPHY.....	46
Appendix I – Employees Questionnaire.....	51
Appendix – II – SPSS Data Sheet.....	55