

# Drivers, Motivations and Barriers for Being a Socially Responsible Firm in Construction: a Critical Review

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**Abstract.** With the rapid changes in societal and environmental expectations, the concept of corporate social responsibility (CSR) has increasingly gaining its popularity among academic and practitioners within the construction industry. CSR research in construction is moving forward on a wide range of fronts but it is also fragmented as to how researchers operationalized motivators, drivers and barriers towards CSR implementation. In addressing this, this paper attempts to map out the key drivers, motivations and barriers to implementing CSR in the construction industry by undertaking a review of 69 relevant published articles. The findings have been classified into three categories of drivers, nine categories of motivations and five perspectives of barriers. The overall results reveal that the most cited drivers and motivations of construction firms are market pressure and branding, reputation and image, respectively, while the significant aspects of barriers mainly come from the business entity itself (e.g., lack of resource and capability). In conclusion, the findings offer a current state of art on the operationalization of key drivers, motivators and barriers to CSR implementation in construction and recommend some research directions. Future works should consider: (1) conduct empirical studies to test the effectiveness of the identified factors; (2) explore the relationship between key stakeholders and CSR performance; and (3) propose effective management mechanism to facilitate communication, cooperation and collaboration among stakeholders of construction firms.

## 1. Introduction

Over the past two decades, the discourse of the construction industry has been replete with recommendations for the industry to reduce its waste generation and energy consumption, and operational impact on the local and wider communities [1]. All these progressively and collectively lead to the uptake of voluntary enforcement of corporate social responsibility (CSR) in the construction industry. In general, CSR is conceptualized around the dimensions of social, environment and economics, emphasizing the overall contribution of businesses to sustainable development and improved human well-being [2].

In construction, a considerable amount of research has documented the good and bad sides of CSR, and trends of CSR research in construction. For example, Lin et al.'s [3] recent critique of studies on CSR have shown that the transitions of research perspectives and focuses have been explored as a major research theme. Shi et al., [4] reviewed and analyzed basis thoughts and evaluation ways of the construction enterprises' CSR practices for the development of CSR assessment model in China. Also, Ali et al. 's [5] comparative analyses CSR disclosures of

construction organizations in developed and developing countries have shown that the influence of key stakeholders on CSR practices are the key driver for CSR implementation in both developed and developing countries. Despite all these, it appears that little has been done to identify the key drivers, motivations and barriers for the implementation of construction firms' CSR.

In addressing the gaps above, this research aims to map out the key drivers, motivations and barriers to implementing CSR in construction by undertaking a review of published articles. The findings will not only provide implications for organization to propose effective strategies for better fulfilment of CSR practices; but also inform relevant government agencies about the key drivers, motivators and barriers that could enable them to formulate better-targeted policies and initiatives to promote the uptake and implementation of CSR effectively; and reveal potential new CSR research directions in construction.

## 2. Research methods

This study adopted a literature survey approach, in which peer-reviewed research articles in CSR within the construction domain were reviewed. This tends to support Lu et al.'s [6] and Mok et al.'s [7] arguments that critical review of academic journals and conference papers, with research citation impacts such as SCImago Journal Rank and H-index, could offer a more reliable and robust current state-of-arts of the topic being studied. The authors further suggested that it is helpful to investigate retrieved articles with an identical analytical construct regarding research aims and objectives. This follows that editorial notes and book reviews had been excluded in this study.

Electronic searches of relevant publications on CSR were conducted in 20th November 2017 in the Web of Science and Scopus databases. The scope of this research mainly focusses on CSR of construction enterprises in the industry, while CSR of general organizations is beyond our scope. With the assistance of the appropriate Boolean operator, a total of 349 articles were identified based on the search keywords (e.g., CSR, drivers, motivations, barriers and construction). This research attempted to distinguish the concepts of drivers and motivations. The term driver refers to the factors that 'mandate' corporations in implementing CSR initiatives and practices. This tends to support Okereke's [8] arguments that drivers relate to the compelling factors that arise from wider societal pressure and environmental concerns while motivations are factors that relate to the innate concern of business for profit and comparative advantage. Motivational factors on their own are capable of inciting firms to fulfill CSR practices even in the absence of any form of direct external (regulatory and public) pressure [8]. These publications were thereafter exported into Endnote X8 for a two-pronged filtering process [9]. First, the titles and abstracts of publications were examined for inclusion of relevant search keywords whereby 142 of the 340 publications were found to contain at least one of search keywords. Thereafter, the contents of those 142 articles were examined following the suggestions proposed by Weber [10]. Overall, only 69 publications which focus on CSR in the construction industry were found relevant for subsequent content analysis. Figure 1 presents the distributions of articles from 2006 to 2018 (including one article which will be published in 2018). The interest of CSR fluctuates but increasing especially in recent three years.

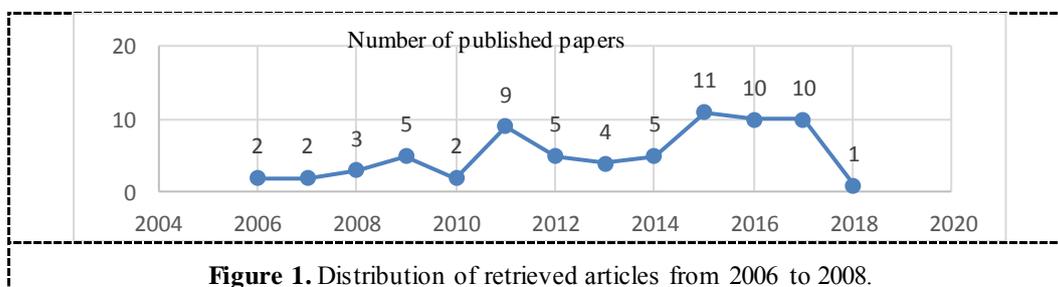


Figure 1. Distribution of retrieved articles from 2006 to 2018.

For this study, the purpose of content analysis, as suggested by Stemler [11], is to enable the researchers to contextualize and identify the categorization of drivers, motivations and barriers influencing CSR implementation in the construction industry. The analytical process started with the manual decoding of relevant contents (i.e., keywords or sentences) regarding the drivers, motivators and barriers into an Excel spreadsheet. After that, following the procedure proposed by Hsieh and Shannon [12], those excerpts were further classified into the categories/sub-themes under the three main themes.

### 3. Findings

#### 3.1. Drivers

According to Okereke [8], the main sources of external pressures are usually governmental policies and both market pressure and innovation and technology development. Table 1 illustrates the drivers of implementing CSR in the construction industry. The results show that there are three main categories of drivers to CSR implementation in construction.

**Table 1.** Drivers of CSR implementation.

Drivers	Frequency (F)	Attributes
Market pressure	22	Critical stakeholders' (e.g., clients, investor, shareholders customers, end-users, joint venture) demand or pressure, market shift
Policy pressure	18	Competitor pressure (e.g., competitors' CSR strategies)
Innovation and technology development	4	Mandatory policies, regulations, guidance, requirements or initiatives Innovations and technology development (e.g., new tools, new technologies, new method of construction)

It is notable that most of the studies cited market pressure (F=22) as the key driver out of the three being identified. These may be due to: (1) the changing expectation of stakeholders such as clients, end-users and competitors [13]; (2) intense rivalry among construction companies for competitive advantages [14]. The findings also reveal that construction companies are largely under governmental policy pressure (e.g., regulations, guidance and initiatives) (F=17) to implement CSR practices [15-17]. This further adds weights to the conclusion of Bevan and Yung 's [16] and Loosemore and Lim's [18] research that CSR in construction is largely compliance driven. Lastly, the results are in line to those of Okereke, Shen et al., Wang et al. [8, 19, 20], pointing to the importance of innovation and technology (e.g., BIM technology, new green materials) (F=4) in driving CSR implementation in construction. It is believed that innovation and technology development in CSR strategy has the potential to result in massive cost reductions and competitive advantage [19]. For this reason, construction companies know the consequences if they allow their competitors to get ahead in innovation and technology development and therefore, they are more proactive to take CSR practices [13].

#### 3.2. Motivations

Table 2 summarizes the motivations of implementing CSR. Overall, the identified motivations can be operationalized and classified into: financial benefits; organization culture; business strategy; branding, reputation and image; human resource benefits; supplier-induced benefits; persuasion and inspiration; relationship building; and policy benefits.

**Table 2.** Motivations of CSR implementation.

Motivations	Frequency(F)	Attributes
Branding, reputation and image	33	Branding, image management, public reputation Public expectation/pressure, media pressure
Organization culture	28	Organizational culture and awareness: core business value, personal values of the founder or entrepreneur, ethical beliefs and consideration, doing the right thing, business imperatives
Motivations	Frequency(F)	Attributes
Financial benefits	24	Improve profitability through reduced operational costs and increased revenues, increased turnover, shareholder returns Investment attraction, economic opportunities
Human resource benefits	14	Better employee recruitment, development and retention, employee morale, commitment and loyalty Workforce productivity and efficiency
Relationship building	11	Good relationship building, interpersonal harmony, communication purpose, cooperation intentions, networking opportunities, trust increasing, credibility gain
Persuasion and inspiration	10	Globalization, national trends, national culture Successful cases, best practices, past positive results
Supplier-induced benefits	8	Reduction of supply risk of green materials Provision of cost
Strategic business direction	7	Business strategy (e.g., business transaction, globalization), corporate vision and mission
Policy benefits	3	Incentive policies

Our findings reveal that branding, reputation and image (F=33) is the most commonly cited motivation. Construction firms are motivated to commit CSR practices because of the desire to maintain good brand and public reputation, manage their image under the supervision of public eyes and media attention [21-23]. Apart from these, it is notable that companies are increasingly becoming aware of the importance of CSR practices and address these in their organization culture (F=28). These results tend to support Zhu and Zhang's [24] argument about top management's values and ethical beliefs can determine the extent to which a company engages in CSR practices. Furthermore, the results are in line with many CSR relationship researches in the construction (e.g., [3, 21, 22, 25]), arguing that there are potential relationships between organizational financial benefits (F=24) (e.g., improved profitability and to attract investment or obtain economic opportunities) and CSR practices. We also found firms can be motivated by human resource benefits (F=14) like better employee recruitment and employee morale [14] and intention of good relationship build (F=11) [26]. The results also shown the influence of persuasion and inspiration within the industry (F=10) (e.g., competitors successful cases)[1]; supplier-induced benefits (F=8) (e.g., construction suppliers' green material cost benefits)[6]; strategic business direction (F=7)(e.g., business transaction, extend international construction business)[1]; and policy benefits (F=3) (e.g., tax deduction on charity donation) [27].

### 3.3. Barriers

Table 3 summarizes the barriers to implementing CSR from perspectives of government policy, business organization, attributes of CSR, stakeholders, real estate market and construction industry [28].

**Table 3.** Barriers of CSR implementation.

Perspectives	Frequency (F)	Barriers
Business organization	51	Lack of awareness, knowledge, and information within an organization Lack of capacity and expertise Lack of internal resources Lack of strategic guidance and support from senior leaders or managers within the organization The negative attitude within the organization
Stakeholders	18	Lack of communication, coordination, and cooperation among stakeholders Unclear stakeholder role and power Stakeholder interest conflict Lack of awareness and knowledge of clients
Perspectives	Frequency (F)	Barriers
Government policy	15	Lack of governmental support
Attributes of CSR	10	Lack of measurement of CSR benefits Incremental time and cost Lack of appropriate technology
Real estate market	10	Lack of attractiveness of CSR to clients Consider CSR in a generic way, not in a particular way
Construction industry	10	Attitudes of society, cultures of the construction industry Lack of authoritative evaluation tools, processes, and frameworks to assess CSR Lack of credibility of the disclosed information of CSR

Interestingly, we generally found that compared with other four perspectives, most of the studies cited internal business organizational barriers (F=51) as the most significant barriers. Corresponding to identified drivers, well awareness, better knowledge and information, and positive attitude of CSR [24]; and clear strategic business direction [1] can lead to firms' CSR practices. On the other hand, however, our results showed that lack of these aspects may be hinder CSR implementations [1, 3, 29]. The second most cited groups of barriers are from the stakeholders' perspective (F=18). This is also a reflection of Lin et al. [3]'s conclusion, arguing that lack of communication, coordination and cooperation among stakeholders; unclear stakeholder role and power; interests conflict may hinder organization's CSR commitment to some extent. From the government policy perspective, corresponding to the findings of drivers, mandatory policies can drive the construction firms [15-17, 29], while, on the other hand, lack of government support may lead to negative CSR practices [6, 29]. Despite these, many studies pointed out that attributes of CSR [18] (F=10); real estate market (F=10) and construction industry considerations [23] (F=10) may lead to construction firms' hesitation in taking CSR actions. These results tend to support Lim and Loosemore's [18] analysis of Australia and New Zealand construction firms' CSR practices which shows that there CSR in construction is largely informant and unsophisticated and in its early stages of development.

#### 4. Conclusions and implications

In conclusion, this paper undertook a critical review of studies relating to drivers, motivations and barriers of construction firms' CSR implementation. The overall picture that emerged from here is that the key categories of drivers, motivations and barriers could be operationalized into three, nine and five sub-themes, respectively. We found that most studies cited market pressure (F=22); branding, reputation and image (F=33); and business organizational perspective (F=51) as key factors influencing construction firm's CSR implementation. The findings of this review offer various managerial and research implications.

Firstly, from the top management perspectives, firms should distinguish country-specific and industry-specific CSR implementations. In order to match local prevailing conditions in economic,

social and environmental manners, localizing CSR practices is suggested as an imperative strategy especially in undertaking international construction businesses [23, 30]. When employing CSR initiatives at a corporate level, it is critical for management to specialize and localize their CSR activities to possibly reduce the cultural or institutional remoteness between home and host countries [13]. This further adds weights to Petrovic-Lazarevic's [23, 26] conclusion that companies need to contextualize and articulate their CSR disclosure to local clients' and communities' expectations. Furthermore, good organizational governance is a prerequisite for effective CSR implementation whereby companies should develop and commit to codes of business conduct and communicate them to all stakeholders [30, 31]. More importantly, the management should perceive CSR as a strategic vision [13, 32].

Secondly, this study provides implications for government agencies. As a significant provider of policies which are considered as critical driver and motivation for CSR implementation, there is a need for government agencies to develop better-targeted strategies to encourage companies to engage in socially responsible behaviors. These further agree with Liao et al.'s [33] suggestion that government should give mandatory requirements for CSR commitments by legislation and regulations like adjusting policy to respond to environmental problems, especially for those corporations in their early stages of CSR implementation [33].

Lastly, it is acknowledged that there are limitations in this research. The effectiveness of the identified factors has not been empirically tested in this study. As such, future research could examine how those key motivators, drivers and barriers vary across different country contexts and types of construction companies. Also, the identified drivers, motivations and barriers are aimed at construction firms' CSR implementation, whether they are suitable for other generation organizations can be discussed in the future research. Furthermore, it is not known who are the key stakeholders in influencing firms' CSR implementation and performance. Further studies could be done to classify different key stakeholders and examine mechanisms for better communication, cooperation and collaboration among diverse stakeholders of construction firms.

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