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## Development of Social Responsibility Evaluation Framework of Construction Projects: A multi-stakeholders perspective

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### Abstract

When performing social responsibility (SR), international contractors can be embraced by project stakeholders, and thus, a sustainable development of construction projects can be attained. However, construction projects involve multiple stakeholders; thus, balancing the interests of all stakeholders is difficult for construction firms. Therefore, an effective rule for decisions related to SR behaviors is important for strategic management of stakeholders. Scholars perform SR studies from various perspectives, emphasizing on corporate management and developing different evaluation systems accordingly. Nonetheless, most of these studies obtain feedbacks from the perspective of general contractors without incorporating the expectations of various stakeholders, and thus, the interpretation can potentially lead to social desirability bias. This study proposes a development framework considering the expectations of various stakeholders for evaluating SR performance. First, global SR metrics were solicited from standards, codes, and legislations. Second, stakeholders were classified, and the metrics were assigned accordingly. A survey questionnaire was distributed to various stakeholders, and responses regarding construction projects were also provided. Third, metrics were selected using the rough set theory and compared with pre-selected metrics with inputs from general contractors. Fourth, an SR evaluation framework consisting of 37 issues was proposed for construction companies to provide guidance for construction corporations to effectively perform SR at the project level. Lastly, a case study was also performed to validate the effectiveness of this framework.

*Keywords: construction corporations; social responsibility; stakeholders; rough set*

### 1. Introduction

Social responsibility (SR) is a company's responsibility to meet the needs of stakeholders for their own interest. With the development of the socialist market economy and global economic integration, there is growing concern over the performance of SR from all sectors of society such as the government, media, community, customers, suppliers, subcontractors, and employees. SR is also important for international construction corporations also can enhance corporate reputation. It could maintain the existing market and gain the trust of stakeholders by displaying overdraft report to enhance competitiveness and enterprise development.

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Prior studies mainly focused on corporate social responsibility (CSR) issues at the corporate level, such as effectiveness of the CSR policies of a company and impact of CSR commitments on the financial performance of a company. However, a construction corporation is a project-based industry in which projects are normally of long duration, geographically dispersed, and fixed in terms of the time required for completion and outcome of the project.<sup>[1],[2]</sup>

The management structure of construction corporations is different compared to that of other enterprises. Construction corporations operate at both the corporate and project levels. The corporate level mainly deals with issues related to interactions of the firm within a broader political, economic, social, technological, environmental, and legal context<sup>[3]</sup> and the project level is concerned with developing a project to comply with company policy. The project level has to maintain the business activities of the company, and a construction company cannot independently exist without projects. Projects are important platforms for construction industries to exercise SR. It is a formal way for contractors to engage with stakeholders; hence, the demands and expectations of both the sides can be concrete on a project. The project-level SR strategy of construction corporations is related to time, which requires a specific SR strategy. Therefore, to ensure that projects are successfully completed in time, the stakeholders involved in the project need to be identified during the course of the project. In addition, the corresponding social responsibilities of each stakeholder shall be clarified. The project-level SR strategy of corporations should be stipulated before the implementation of the project to provide good external conditions for smooth implementation of the project.

In this study we describe the content of SR that non-contractor stakeholders put more emphasis on, which mostly consist of their own interests or the degree of progression of a project. The build evaluation index of corporate SR is often evaluated through an expert investigation method, and project stakeholders are not fully considered. The proposed CSR strategy is a long-term strategy and is not proposed for a single project in process.

## 2. Definition of Construction Corporations Stakeholders

During the daily operations of construction corporations, there is no unified definition regarding the stakeholders of construction corporations among domestic and foreign experts and scholars, or among their research findings. According to literature related to stakeholders of construction corporations and CSR, different research perspectives, research objects and research methods may make various experts have different definitions regarding the stakeholders of construction corporations. In order to define the stakeholders of a construction corporation correctly, a detailed analysis of existing research findings should be conducted, and stakeholders having the closest relations with the daily operations of corporations should be selected. The statistical results of foreign and domestic literature are listed in Table 1.

According to Table 1, the top eight stakeholders of construction corporations accepted by foreign scholars are stockholders, staff, consumers, suppliers, government, communities where corporations are located, creditors, and managers. The acceptance of stockholders, staff, consumers, and suppliers is higher than 50%, while the acceptance of other stakeholders is lower than 50%. The top eight stakeholders of construction corporations accepted by Chinese scholars are stockholders, staff, consumers, creditors, suppliers, managers, distributors, and government.

Table 1 Stakeholder of Construction Corporations Accepted by Foreign & Domestic Scholars

Foreign		Domestic		18 Chinese construction corporations	
Stakeholders of construction corporations	Referring frequency in literature	Stakeholders of construction corporations	Referring frequency in literature	Stakeholders of construction corporations	Referring frequency in literature
Stockholders	100%	Stockholders	100%	Stockholders	100.00%
Staff	82.3%	Staff	100%	Communities	100.0%
Consumers	79.5%	Consumers	100%	Staff	94.4%
Suppliers	53.4%	Creditors	83.00%	Clients	83.3%
Government	48.3%	Suppliers	79.66%	Natural environment	88.9%

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