



THE UNIVERSITY OF  
**NEWCASTLE**  
AUSTRALIA

**CORPORATE SOCIAL RESPONSIBILITY AND THE HONG KONG  
CONSTRUCTION INDUSTRY**

by

**NORMAN CAMERON CROKER**

C3071912

*BE (Civil), MSc (with Distinction), MPM*

**A Dissertation submitted to the Faculty of Business and Law for the degree of  
Doctor of Business Administration**

**THE UNIVERSITY OF NEWCASTLE, AUSTRALIA**

**FACULTY OF BUSINESS AND LAW**

July, 2013

#### **STATEMENT OF ORIGINALITY**

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Signature:

Date: 28 July 2013

## ACKNOWLEDGEMENTS

I am grateful to the many people who have given their encouragement to commence, and to those who have helped me to complete, this doctoral dissertation. The journey began with my late mother who worked so hard to put her two sons through school and university, and who insisted that we “get our pieces of paper”. The thought of moving from graduate to doctor was planted over 30 years ago when my dearest friend, Dr. Sherly Snyman, challenged me to become a “real doctor”. That thought remained dormant, but ever-present, for over two decades but it has now been realised. Thank you, Mum and Sherly.

I am also very grateful for the friendship, help, support and encouragement from my brother Alan all these years, it is always much appreciated. My greatest appreciation goes to my wife, Stella, and our family Cameron and Matthew for their encouragement, support and tolerance to complete two master’s degrees to give me the confidence for this challenge; and then, for giving me the time to study for and compile this research at the expense of family time with them; this dissertation is dedicated to you. Thank you, Stella, Matthew and Cameron.

I would like to thank my supervisor, Dr. Lisa Barnes, Faculty of Business and Law, at the University of Newcastle, Australia, for her advice and constructive guidance in the preparation of this work, and especially for her support during the periods when my work interfered with the research programme. Without your support and patience, Lisa, this work would not have been completed and I sincerely thank you.

Finally, I extend my sincere appreciation to all of those construction professionals and friends who contributed with comments and advice during the research. When designing the research questionnaire, I realised that it was long and complex and anticipated that the response rate would be low, and it was. Therefore, I am all the more grateful to those people who gave their time and effort to participate in the survey. I am also very grateful to Hong Kong Construction Association and to the managers and executives of the construction organisations who freely gave their time for the case study interviews. I wish to acknowledge and offer my sincere thanks to you all for your time, your insights and your contributions to inform me of how your organisations are addressing the challenges of improving the social responsibility of the construction industry in Hong Kong. Without your valuable contributions and the contributions of those who completed the survey, this research project would not have been possible.

Norm Croker,  
Hong Kong, July 2013.

## **ABSTRACT**

Corporate Social Responsibility (CSR), the responsibility of a corporation for the impacts of its decisions on society and the environment, originated as a term, concept and academic research field in America in the 1950s (Carroll, 1999). Since then, its definition and scope have been controversially debated within academe and broader society. However, ISO 26000 (2010) “Guidance on Social Responsibility” published in November 2010, redefines “Social Responsibility” (“SR”) broadly, by reference to SR principles, core subjects and issues, and establishes a common reference point for practitioners, at least. The Hong Kong Construction Industry (“HKCI”) sector is critical to Hong Kong’s economy. In 2011, the gross value of construction work by main contractors amounted to HK\$215.0 billion and contributed HK\$65.4 billion (HKSARCSO, 2013, p. 12) to the total GDP of HK\$1,823.2 billion (3.6%) (HKTDC, 2013). The HKCI comprises a small number of large local and overseas contractors dependent upon [primarily SME] sub-contractor firms (Rowlinson, 2007) for which the concepts of CSR are still poorly understood (Studer, Tsang, Welford and Hills, 2008), a practice that can dissipate espoused CSR policies (Green, 2007). The aim of this research is to investigate the current epistemological foundation for CSR research; which, if any, ISO 26000 (2010) CSR issues are relevant to HKCI firms, and whether such relevance is firm-size dependant; whether they are similar to construction industry firms elsewhere; and, whether they are strategically driven. The principal findings are as follows. Stakeholder theory is predominant in CSR research but interest in resource-based theory is increasing and, being possibly more applicable to the study of CSR practices in SMEs, it may be better suited to CSR research in the construction industry. The reported level of HKCI CSR activity relative to the 7 core subject of ISO 26000 (2010) is a function of company size. Many SMEs consider that some of the ISO 26000 (2010) SR issues are irrelevant to them. However, for large construction contractors with employee numbers greater than 200, the SR issues in ISO 26000 (2010), particularly those relating to the health and safety in the workplace and to the environment, are not only relevant but, in many cases, the corporate SR activities exceed legislated requirements. Finally, corporate reputation, legislation /regulation and corporate culture are drivers of improvements in CSR in the HKCI. The results of the study partially fill gaps in the CSR literature relating to firms in the construction industry.

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