The Level of Economic Development and its effect on CSR Implementation: A Case Study of Chevron and Shell

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Abstract

Worldwide and specifically in the economic developed countries the role of business has changed over the last few decades from classical ‘profit maximizing’ approach to a social responsibly approach. Organizations, not only; have responsibility to their shareholders, but also they have responsibility to all their stakeholders in a broader inclusive sense.

According to Carroll (1999) the social responsibility of business embraces the Economic, Legal, Ethical and Discretionary expectation. Economic responsibility of business means that society expects business produce goods and service to answer society needs. Werther and Chandler (2011) mentioned that, one cannot look at CSR without considering the context which includes the level of development in an organization’s operational location.

CSR has been conventionally perceived as a phenomenon reserved for developed countries. In the other word, in developed countries with better resources and organizations will demand or have higher expectations from CSR. However, in developing countries, there is no significant focus on the CSR initiatives rather on economic growth, hence relegating CSR to be lower significance to the MNCs and the society at large (Hurst, 2004, cited by Pimpa, 2011). Supporting this Hohnen (2007) saying that there are differences in the way CSR is implemented and promoted. Depending on the context of the operational location the success of CSR on an organizational level and the entire economy, are interrelated with situational factors such as; economic, social, institutional and cultural conditions of context.

It means that, the differences in implementation of CSR strategy within countries are dependent on context. The purpose of this paper is to find the role of economic development as one of the factors that have an effect on implementation of CSR. To answer our questions about this problem we have looked to CSR activities by two multinational companies in two different locations developed and developing (Canada and Nigeria) in order to understand the effect of economic development on CSR implementation. Using HDI as a scale of measurement, we categories the scale of economic development of countries where Nigeria is quite lower than Canada. Through evaluating and interpreting companies CSR activities in both countries. We conclude that the bottom up line of approach - the level of economic development defines the level and types of community needs which has a significant role to play in shaping implementation in organizations CSR strategy.

Key words: CSR, implementation of CSR, sustainability, economic development, operational location
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Abbreviations

3Ps: People, Profit, Planet
AMEPS: Agbami Medical and Engineering Professionals Scholarship
CBR: Case Based Research
CDB: Cluster Development Board
COR: Comparative and Case-Oriented Research
CNL: Chevron Nigeria Limited
CSR: Corporate Social Responsibility
CSF: Community Service Fund
DCGEP: Discovery Channel Global Education Partnership
EGTL: Escravos Gas-to-Liquids
IUCN: International Union for Conservation of Nature
GMoU: Global Memorandum of Understanding
GRI: Global Reporting Initiative
HDI: Human Development Index
HSSE: Health, Safety, Security, Environment
MNC: Multi National Company
NCC: Nature Conservancy of Canada
NCF: Nigerian Conservation Foundation
NGO: Non-Governmental Organization
NNPC: Nigerian National Petroleum Corporation
OE: Operational Excellence
RBC: River Boat Clinic
TBL: Triple Bottom Line
UNDP: United Nation Development Program
VOR: Variable-Oriented Research
1. Introduction

1.1. Background

Corporate Social Responsibility (CSR) as a concept has long and varied history. Formal writing about CSR can be found from the 20th century, especially the past 50 years. During the 1950s the primary focus was on businesses' responsibilities to society and doing good deeds for society (Moura-Leite & Padgett, 2011). Literature on CSR expanded significantly during the 1960s, and tried to answer questions of what social responsibility means and how important it is for business and society (Carroll, 1999). Firms multinational or national, domestic or foreign are supposed to be involved in social and economic development in the areas that they are operating. This is basically the aspect of corporate social responsibility. Firms define it as the commitment of businesses to contribute to more sustainable economic development, better working conditions for employees and the community at large (Roitstein, 2005).

Furthermore, there are possibilities to see CSR footprints throughout the world (mostly in developed countries) and most formal writing have been witnessed in the United States (Carroll, 1999). It is the impact of globalization and global economic activities on the quality of human and social life has led to a growing concern about corporate social responsibility by society (Mahoney & Thorne, 2005).

There are many definitions about corporate social responsibility (CSR) and most of them agree on that CSR is the organizational, economic, environment and social responsibility toward its operational context; but, before scrutinizing CSR in more detail, let us first define it.

According to Werther and Chandler (2011) CSR is “a view of the corporation and its role in society that assumes a responsibility among firms to pursue goals, to make profit maximization and a responsibility among a firm’s stakeholders”. Furthermore, CSR is the continuing obligation by organization to behave ethically and improve its economic development while improving the quality of life in its operating context through answering society needs (World Business Council for Sustainable Development, 1998, cited by Watts P. et al., 1999).

As the interactions between businesses and the society are inevitable, CSR has been changed from a do good and philanthropy to an important concept for organization operational strategy. While society continues to evolve, balancing between needs with the economic growth will increase the complexity of CSR. So it’s importance in order to increase performance especially within the confines of Globalization (Werther & Chandler, 2011).

In accordance Tolbert and Hall (2007) points out that, an organization's environments have impacts on its operations and its ability to reach its goals. Trying to understand the processes through which an equalization of organizational goals and environmental needs can be reached are quite complex, thus having the need to understand the environmental factors and align it with the organizational set of goals. This forms the rational and overriding objective of this study as expounded in the research problem.
There is a relationship between CSR and economic development. Doers’ and Halme (2009) talked about the importance of economic development which has an impact on CSR. One cannot look at CSR without considering the context which includes the level of development in an organization’s operational location (Werther & Chandler, 2011).

Carroll (1999) presented that social responsibility of business include Economic, Legal, Ethical and Discretionary expectation.

Economic responsibility of business means that society expects business produce goods and service to answer society needs. To answer society needs business should obeying the law of community, which is the legal component. Every society has its values, norms and behaviors (ethic) and expects that business to believes and follow them otherwise business loss its legitimacy. Last component of Carroll pyramid is discretionary responsibility which means business has to represent and offer voluntary activities to its operational context (Carroll, 1999). The way of implementing and promoting of CSR depend on particular conditions of an operational context. The success of the CSR, both on the organizational level and of the entire economy, depend on some situational factors such as; economic, social, institutional and cultural conditions of context (Hohnen, 2007).

The important aspect of corporate social responsibility is that it is not legal obligation. CSR is voluntary social and environmental positive initiative which organizations implement to improve its legitimacy in community (Miyan, 2006). Business and society are in an interdependently related. Business need society to sale its productions to make profit and stay competitive, and society needs business to answer its needs. According to the windows of opportunity theory, keeping balance between business profits and society benefits, if business looks only to maximize its profits and ignored society benefits, it will be social deficits or if business looks only to answer society needs and ignored its profits, so it will be economic deficits (Werther & Chandler, 2011).

There is no single definition of economic development. Economic development is a measure of the welfare of humans in a society. Economic development could be described in terms of objectives such as creating jobs and wealth and also improving the quality of life in the community. Further, economic development is a process that affects growth and restructuring economy of community (Sampson, cited by Paytas, Gradeck & Andrews, 2004).

There are some important indicators of economic development, such as; GDP per capita, GNI, life expectancy, literacy rates, poverty measurement, demographic indicators, disease indicators. Human development index (HDI) is one indicator of economic development which we use in this research to categorize which countries is economically developed or developing. HDI offers a better measurement of socioeconomic progress, measuring at national and sub-national levels comparing both wealth and human development (UNDP report, 2013).

Organizational corporate social responsibility depends on some factors and these factors will shape the organization CSR strategy. The level of CSR in an organization depends on size, diversification level, advertising, client income, market condition and governmental sales. CSR has internal and external dimensions. The internal dimensions such as: human resources management, health and safety at work, adapting to change and management of environmental impact and natural resources, and the external dimensions includes local communities, business, partners, suppliers and consumers, human rights and global environmental concerns (Green Paper, 2001, cited in McWilliams, Siegel, & Wright, 2006).
1.2. Problem Discussion

The concept of corporate social responsibility (CSR) is becoming increasingly popular among organizations and societies, but popularizing of CSR could not save it from being criticized. The fact that organizations operate within a broader context in society calls for a CSR perspective to ensure that it maintains legitimacy, having mentioned this, it is also important to recognize the context in which organizations operate to understand the differences in the needs of the societies where they operate and what they consider as acceptable to improve the implementation of CSR. Furthermore the uniqueness of each society calls for a different type of relationship between organization and society (Werther & Chandler, 2011).

Miyan (2006) mentioned that, in the worldwide and specifically in the developed economies the role of business has changed over the last few decades from classical ‘profit maximizing’ approach to a social responsibly approach. Organizations, not only; have responsibility to their shareholders, but also they have a responsibility to all their stakeholders in a broader inclusive sense.

Roitstein (2005) added that, CSR has been conventionally perceived as a phenomenon reserved for developed countries. Consequently, a plethora of studies on social performance of Multi National Company [MNC] has emerged in the context of developed countries and not developing countries, hence a gap in knowledge between the dynamics of CSR in developing and developed countries. From this perspective society and its societal demands of poor democratic countries focus more on social amenities like food, education, healthcare, social order jobs etc. It means that, the differences in the implementation of CSR within countries are dependent on context of social priorities (Werther & Chandler, 2011).

Pimpa (2011) clarified that, wealthy societies with better resources and organizations will demand or have higher expectations from CSR. Also to mainstream wisdom indicates that CSR is more significant to organizations in developed countries. This has also been discussed in Hurst (2004) where he argues that, there are a lot of high community expectations of socially responsible behavior in developed countries. However, in developing countries, there is no significant focus on the CSR initiatives rather on economic growth hence, relegating CSR to be of lower significance to the MNCs and the society at large (Hurst, 2004, cited by Pimpa, 2011).

Despite the fact that many multinational corporations’ efforts to implement social and environmental issues, there is a gap between sustainability in theory and the implementation of sustainability in practice (Bowen et al., 2001, cited by Andersen & Skjoett-Larsen, 2009). CSR in organizations is viewed by governments and civil society as important to meet developmental challenges faced by societies in both economic and social aspects. Their programs are perceived as the bridge for the gap between businesses and development, implying that there is a difference in societal needs due to the level of development (Blowfield & Frynas, 2005). Furthermore, Miyan (2006) mentioned that, assimilating the interest of the stakeholders would have a positive effect on the company’s business policies and actions, by focusing on triple bottom-line (social, environmental, and financial success of the company).

More recent researches on CSR issues are arranged according to different contexts. CSR related insight reflects differences in the way’s CSR is conceptualized (Barkemeyer, 2011). This makes it difficult to have one method to identify the implementation of corporate social responsibility approach. Each organization has unique characters and situations which will affect CSR strategies and each will vary in its awareness of CSR issues. To carry out CSR strategy, firm meets their spirit and letter of CSR commitments by day-to-day decisions, processes, practices and activities (Industry Canada, 2012). In light of this we propose that due
to the uniqueness of communities that there will be differences in processes and implementation.

Baker (2011) mentioned that, to view CSR from a sustainable sense, it should be looked at through the economic development lens to understand how both concepts are interrelated to contribute to a society where the majority is at gain. The study will contribute to other literatures have shown that CSR practices in multinational co-operations are complex as the environment is not uniform.

Furthermore, Romer (1993) argues that, there are many gaps which need to be researched to be understood while dealing with economic development. The first gap is the object gap. Indeed, it is a subject to the structural facilities and raw materials, and the second gap is the idea gap, which deals with the lack of ideas which are utilized in industrial countries. Developing countries have these two gaps. In addition, for dealing with economic development, these two ideas should be kept in mind at all times because nations move towards development by fulfilling their economic lack. There is a need to lay great emphasis on the relationship of developing countries and the world, based on these two gaps which mentioned above. The idea gap directs attention to the patterns of interaction and communication between developing countries and the rest of the world, arguing that MNCs can act as a link allowing across border free flow of ideas bearing in mind that, there are differences in implementation. Central to this, there must be a proper assessment of the idea gaps in order to generate a proper working policy. Werther and Chandler (2011), and Carroll (1999) all contribute to this argument by saying that; there must be an understanding of the level of development in the operational locations and also to develop a comprehensive CSR framework which can be successfully implemented to the strategic direction of the company.

1.3. Research Purpose

The purpose of this thesis is to explore the different implementation of CSR by Chevron and Shell in Canada and Nigeria in relation to economic development.

1.4. Research Questions

1. What differences exist in CSR implementation regarding organization’s operational location?
2. How does the level of economic development affect CSR implementation?
2. Methodology

Methodology is the philosophical view in social sciences. It means to understanding how to advance the finding through empirical data to make inferences about the theory's truth. The most important point of methodology is that it enables researchers to design his/her research, so they can draw defensible conclusion (6 & Bellamy, 2012). Furthermore, it is about using appropriate technique in the correct way. It is more about how researchers use their data by analyzing to defend their conclusions and it refers to theories and to explain why the methods used provide warranty to infer from the data collected and analyzed to answer the research questions by using the propose (6 & Bellamy, 2012). Therefore its of great importance to clarify our methodological position and show how to select data and approach in answering our research questions and purpose as well.

2.1. Reality Ontology

6 and Bellamy (2012, p. 60) in quote “Ontology is a sub-discipline of philosophy, which is concerned with the question of what exists and what status we are ascribing”. We are trying to describe an unobservable and conceptual phenomenon. Brown (2006) quote “reality is either out there (objectively external to you), or in here (subjectively within yourself), or it is in here because it has been brought in from out there”. According to our background and observation about the phenomena, we found that implementation of CSR is different and it makes us to be subjectivity to see reality in here. Ontological assumption is about the relationship between data and the phenomenon depends to a large extent on the assumptions that are made about the nature of social reality. Blaikie (2003) also argues that, social reality is concerned with the shared view among different people; as a result, it provides several ways to look at it with different perspectives to the same things. Finding a personal ontological view is essential, because it guides and directs the researcher regarding knowledge and whatever affects the inferences, as a consequence, it will affect the overall result of the study and research (6 & Bellamy, 2012).

Therefore we understand that Organization and community are related and interdependent on each other. CSR is an organizational tool which is used to improve legitimacy and economic sustainability in the community. Organizations activities, production and profits depend on stakeholder needs. An operational location for business has an important role to shape organization CSR strategy (Werther & Chandler, 2007).

2.2. Reality Epistemology

Epistemology is viewed as knowledge that is observable and can be generalized (Blaikie, 2003). Adding to this 6 and Bellamy (2012) defines epistemology as philosophical traditions that is the view of knowledge concerned with what the researcher consider as knowledge and what the researcher observes or construct. We have chosen critical realism because we understand that there are facts which cannot be directly observed about a social phenomenon, but in order to make these claims about these facts we must draw from observable facts. We did this by carefully choosing theories and empirical observations through our data collections although we had limitations and progressive construction. We are also aware that irrespective of what we think is facts which can be studied. From our view we also understand that most
facts data and theories are fallible which can also be revised. Judging from the type of data
which we choose but limited to, that our data is basically from the organizations will be for
their best interest. Notwithstanding this was the only data which was available to us within the
chosen cases and we understand the perspective from the point which it was collected i.e. the
organizations view while working on this research.

“Epistemology is sub-disciplines of philosophy which is concerned with the true status of
knowledge that can achieve either by observation or by inference” (6 & Bellamy, 2012, p. 61).
The procedures that are considered to be appropriate for generating data about that
phenomenon depend on the assumptions that are made about how that social reality can be
known, that is epistemological assumptions. We consider that the external world (our social
construct) is a kind of lenses for the whole knowledge which we have and by taking into
consideration our previous experience and all of the knowledge and theories gathered in this
course, we try to build into our research.

We already know that our backgrounds as a participant in this research, will have an effect on
the result of our research, and keep in our mind that the epistemological view can influence
the author for recognizing the limits and validity (Brown, 2006). By understanding these
important points, the findings of the researchers will try as much as possible to be free of bias
with regards to background and previous experience.

As researchers we have different background with regards to job experiences, knowledge and
also we are from different countries with different cultures, and these have an effect on the
result of this research. We look at this problem with different glasses and different
viewpoints. Our belief and values somehow are close to each other, but we still have some
differences. We have observed and felt these problems in our countries in different levels. We
have experienced and observed that the implementing CSR are not same in different area, and
CSR dependant on the location and societal needs, so we have tried to survey the fact. Also,
our background knowledge is totally different. Not only this difference does not affect to our
observation, but it also helps us to have diversified perspective to understand the issue. We are
aware of these two companies and can bear witness to the CSR activities which have in one
way affected us in their different locations coming from oil rich countries.

2.3. Research Design

In this section we will talk about that how we have collected, analyzed and interpreted data, in
order to answer our research questions and make warranted inferences. Researchers need to
explain how, what and why they collect and analyze the data (Brown, 2006).

In this research, we have explanatory inferences and are inductive in order to answer our
research questions. Explanatory inferences are used to answer the questions about what the
empirical topic is. Indeed, explanatory inferences answer the question regards to the reason for
the social phenomenon. We want to find data which will lead us to understand the social
phenomena. Inductive research is used to develop a statement from a position in which we
have no real idea of what might turn out to be plausible, relevant or helpful about the subject
of interest. (6& Bellamy, 2012). We have an inductive approach, which allows us to
investigate the implementation of corporate social responsibility and it provides more
opportunities to look into the other potential issues about CSR (Baker, 2002; Crane, 2000;

As we mentioned above about data collection, we used annual reports, due to lack of
information, such as academic paper, we were subjected to the use of available data from
annual reports and facts sheets on CSR activities from these companies. Because these data
we used reliable, available and dependable after a wide range of searches. 6 and Bellamy
(2012) argues that choosing the type of analysis is important; indeed the type of analysis is a tool which will help us to find answers to our research questions. In order to analyze our cases and find answers to our research questions and purpose. We used Case Oriented Research (COR) as our research designs. According to 6 and Bellamy (2012) COR aims to make comparisons between a relatively small numbers of cases, it makes use of within-case analysis to examine how these similarities and differences relate to the specific context and dynamics of each case, and we analyses within two different cases. This choice was made because our research aims at finding out the how economic development affects the CSR activities of the mentioned companies in different case which we have used the HDI as a measurement scale. We wanted to compare a modest number of cases on several dimensions of factors and also to do within-case analysis to each one then we use case-oriented research (COR). We have chosen two organizations with the same activities and the same industry, in order to have a better comparative case; also we have chosen two different countries where the organizations operate to compare similarities and differences in their CSR implementation.

Our research aims at finding out the how economic development affects the CSR activities of the mentioned companies in different case which we have used the HDI as a measurement scale to determine the similarities and differences, in order to find out if economic development plays an important role in the implementation of CSR.

Finally, In line with the ontology and epistemology section and based on (COR), qualitative analysis becomes our preference. The qualitative method is a kind of instruments which direct us how to collect data. According to Braun and Clarke (2006, p.79), a qualitative analytic is a method for “identifying, analyzing and reporting patterns (themes) within data. It simply organizes and describes your data set in detail and interprets various aspects of the research topic”. Data analysis strategy is about what is in the text through different forms like content analysis, thematic analysis or grounded theory (Silverman, 2013). According to Wilig (2013) “thematic analysis involves manifest meanings (the explicit content of what a research participant has said) and latent meaning (the interpretation the researcher has made of what has been said by the research participant)”. We have chosen thematic analysis in this research due to its flexibility, because it has ability to deliver rich data about a phenomenon and also allows drawing understanding from the use of theories.

2.3.1. Quality of Research Design

One of the ways which can help us to ensure the quality of research is the trustworthiness approach. The trustworthiness in a qualitative research can be increased by keeping high credibility and objectivity. A trustworthiness definition in research might be, validation of the evidence of the results reported, and based on the results the researcher can make a strong argument (Krefting, 1991). A qualitative researcher’s perspective is obviously narrow–mind due to the researcher associated with data, sources, and methods and review strategy, so it can have an impact on the trustworthiness of the (a) interpretations; (b) findings are dependent on the ability to demonstrate how they were reached (Mauthner & Doucet, 2003). The critical aspect of realism is that it lacks judgment and is an undeveloped criterion of how to measure its quality. Because knowledge comes from direct observation and our grasp depend on the inference, so we can never be more than an approximation to truth. In other word, meaning we have no full access to truth (6 & Bellamy, 2012).

Healy and Perry (2000) suggested three elements in evaluating the quality of qualitative research; ontology, epistemology and methodology. Both ontology and epistemology have been mentioned before initially in this chapter. Elements of Methodology include three criteria; methodological trustworthiness, analytic generalization and construct validity. This research will have a combination of these perspectives.
2.3.1.1. Methodological Trustworthiness

Methodological trustworthiness is one of the criteria for realism. It refers the extensive research can be checked by developing a case study (Healy & Perry, 2000). In this research, we have collected our data from organization’s annual reports, fact sheets about CSR and sustainability from their official web pages. It gives the reader the opportunity to check any data by going to the original source.

2.3.1.2. Analytic Generalisation

Healy and Perry (2000) states, analytic generalization is an element which is used to measure the validity of critical realism in research. Realism research should be basically theory building rather than theory testing. We were analyzing our data by using existing and more relevant theory to our purpose in this paper about CSR and implementation of CSR. In this research we build our analyzing and finding by using the relevant theories rather than testing the theories or the extent of truth in this field.

2.3.1.3. Construct Validity

The final element for measuring the quality of realism in research defined by Healy and Perry, (2000) is construct validity. It means, how well data and knowledge about the constructs in the theory being built are "measured" in the research. In fact, validity is a result of the relationship between theoretical and observational concept, which is supposed to represent those concepts. We have collected all of our data from our literature books, academic articles, journals, and many reliable online databases. We have used some relevant information from our program literature (Leadership for Sustainability) and tried to use the relevant and more reliable theories in field of CSR as a concept and theory and CSR implementation.

2.4. Ethics

The ethic is in the qualitative perspective, especially in the data collection part; it is kind of moral responsibility form researcher (Silverman, 2011). We are ensuring that all of texts which wrote are inspire from the literature books, academic text, annual reports and official web pages of these two companies. We also have written all of the references in our reference list. We are admitting that the research is subjective and assessable.

2.5. Inferences and Warrant

6 and Bellamy (2012) mentioned that, the core concept of methodology is inference and warrant. A warrant can be explained as the degree of confidence that we have in an inference capability to deliver truths about the things we cannot observe directly. Social scientist, distinguished three purposes of the inference to (1) description, (2) explanation and (3) interpretation (6 & Bellamy, 2012).

Inferences and warrant are important because, the process of making claims about one set of phenomena which cannot be directly observed, and on the basis of what we know, is about a set of things that we have observed, and finally the choice of research tools depend on the theories and depend on how those tools work (6 & Bellamy, 2012).
2.6. Delimitation

We are aware that a larger number of the cases would provide us more data which will help our research become more reliable. But, because of time limitation and lack of resources, research design and epistemological and ontological view, we are limited. For this reason we choose two well known companies and two locations where both companies operate. One other encounter is the lack of academic paper or scientific articles regards to our subject, the relation between economic development and CSR implementation which also comes as a limitation to this research.
3. Theoretical framework

Theories do not interpret, explore or describe anything, but they tell us how we can interpret, explore and describe. There is no definite list to topics that one can apply in theoretical framework, thus there are several theories that have been developed by researchers relating to CSR. According to Egbe and Paki (2011) the theoretical underpinnings of CSR are adequate. In other words, there are so many theories explaining the concept of CSR in organizations and its significance. Some of the theories that will help the researcher have a deeper understanding of the research problem. Bellamy (2012) mentioned that, most issues allows researcher to use or generate several theories for analyzing data. So in this paper we will use existing theories which has been developed by other known researchers in this field. To answer our questions claimed in chapter one, we will analyze collected data with CSR theories Carroll pyramid of CSR Triple Bottom Line (TBL), CSR Filter, Max Human Needs theory, and Stakeholders theory.

3.1. CSR Theory

From the academic perspective, there is no one clear-cut definition of CSR. There are many different definitions about CSR which many of them focus on legal, ethical, economic and philanthropic responsibility by business towards its operational context. It is important to note that the concept of CSR is fluid, and has many of the theories based on context. The European Union (EU) has defined CSR as “a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment” and “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Perrini, 2006).

Garriga and Mele (2004) summarized CSR theories into four main areas; also they have related it to four different theories groups:

- **Instrumental theories**, means that the corporation is seen as one instrument for creating wealth, through social activities.
- **A political theory**, means that the power of corporations in a community and the responsibility to use this power in the political area.
- **Integrative theories**, the satisfaction of social demands are a focal point of the corporation.
- **Ethical theories**, the ethical responsibilities of corporations towards communities.

In addition, Miyan (2006) mentioned that CSR means different things to different people; however, certain ideas are becoming commonly accepted. First of all, CSR is not about philanthropy or charitable work. It refers to something much more fundamental, and it is about how companies take responsibility for their actions in the world at large scale. One of the important aspects of CSR is that, it is not legal obligation for implementation, but rather voluntary social and environmental positive initiative, the business community evolved a new approach in their business strategies named CSR.

According to Miyan (2006), CSR enterprises are intent to keep a balance between economic and social goals, where resources are used in a rational manner and social needs addressed responsibly. CSR focuses vary by business, size, and sectors and even by geographic region. The umbrella of CSR is quite large and it includes all positive practices that increase the
business profitability and can preserve interest of all stakeholders. For this reasons we can shift the role of business from classical concept to a responsible business concept.

Also Miyan (2006) added that, enterprises can create wealth and job opportunities for society, and on the other hand, it can destroy environment and ecology with devastating impact on human health and biodiversity worldwide. The role of business to develop and create wealth is significant, but business should act according to stakeholders needs. Through this paper we try to understand the role of stakeholder’s needs to shape or implement CSR strategy by organization in its operational location.

3.2. Carroll Pyramid of CSR

To be accepted as a legitimate business an organization should embrace the entire range of CSR business responsibility. According to Carroll (1991) the pyramid of social responsibility has four components; economic, legal, ethical and philanthropic. In other words, to incorporate these four components into an organization is a strategic step towards legitimacy and long term sustainable development, and Carroll (1991) explains the four components as:

- **Economic responsibilities**; It is a basic unit of community in the business which provides goods and services to answers stakeholder’s needs, and then to make an acceptable profit in the process.

- **Legal responsibilities**; Society, not only has to accept what business wants in profit maximization, but business also has to obey the laid down laws and regulations of the operational location established by federal, state, and local governments at the same time.

- **Ethical responsibilities**; includes those norms, expectations or standards in one community which consumers, employees and shareholders regard to just fair in keeping or protection stakeholders’ moral rights.

- **Philanthropic responsibilities**; is about being a good corporate citizen in community, business engages or supports some activities to promote human welfare. This engagement or support helps businesses to improve its legitimacy and keep its competition within the community. Werther and Chandler (2011) mentioned that, CSR strategy is essential for business to stay competitive in the community and improve its legitimacy by engaging or supporting projects or activities which provide local community. This is done through implementing CSR commitment by businesses, economic, legal, ethical and philanthropic responsibility activities depend on community’s level of development. The level of development of each community defines and shapes its needs.

3.3. Triple Bottom Line (TBL)

The TBL is an accounting framework that incorporates three dimensions of performance, economical, environmental and social responsibility (Slaper & Hall, 2011). So implementing TBL helps to achieve both monetary and non-monetary goals, thus strategic CSR is providing a win-win situation for stakeholders, which impacts of, general social benefit, to help to create a successful balance situation. Werther and Chandler (2011) state that, all of these deep analyses justify that implementing TBL in CSR strategic is the best way to lead a project toward sustainability. Furthermore, Elkington (1997) acknowledge that, TBL is the real and complete concept of sustainability. Indeed, it is a kind of tools for measuring organizational performance, and it is about to keep balance and harmony between economic, social and environmental aspects.
Slaper and Hall (2011) says that, there is no common unit for measuring three Ps (People, Profit, Planet). “We just can measure profits in dollars”, but what is the measurement for social capital, environmental or ecological health? Finding a common unit of measurement is one of the challenges. Unfortunately, there is no common and universal method for calculating TBL, but there is universally accepted for the measures that comprise of these 3Ps categories. We can see this non-standard method as a strength which allows us to adapt the general framework to answer our needs.

Despite of that, there is a traditional sustainability measure to measure TBL through academic discourse.

<table>
<thead>
<tr>
<th>Economic Measures</th>
<th>Environmental Measures</th>
<th>Social Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Personal income</td>
<td>• Sulfur dioxide concentration</td>
<td>• Unemployment rate</td>
</tr>
<tr>
<td>• Cost of underemployment</td>
<td>• Concentration of nitrogen oxides</td>
<td>• Female labor force participation rate</td>
</tr>
<tr>
<td>• Establishment churn</td>
<td>• Selected priority pollutants</td>
<td>• Median household income</td>
</tr>
<tr>
<td>• Establishment sizes</td>
<td>• Excessive nutrients</td>
<td>• Relative poverty</td>
</tr>
<tr>
<td>• Job growth</td>
<td>• Electricity consumption</td>
<td>• Percentage of population with a post-secondary degree or certificate</td>
</tr>
<tr>
<td>• Employment distribution by sector</td>
<td>• Fossil fuel consumption</td>
<td>• Average commute time</td>
</tr>
<tr>
<td>• Percentage of firms in each sector</td>
<td>• Solid waste management</td>
<td>• Violent crimes per capita</td>
</tr>
<tr>
<td>• Revenue by sector contributing to gross state product</td>
<td>• Change in land use/land cover</td>
<td>• Health-adjusted life expectancy</td>
</tr>
</tbody>
</table>

We can find many variables to social dimensions of a community or region. These variables could include measurements of education, equity and access to social resources, health and well-being, quality of life, and social capital.

Economy is one important component of the TBL, which will be more focus in this research. CSR activity in community by business is one way to improve its sustainability and legitimacy. According to Slaper and Hall (2011) the measurement for sustainability of business is TBL. All economic measurement variables which defined by Slaper and Hall (2011) related to the level of economic development in each community. To improve its sustainable business should watch out the level of economic development and needs of the community.

3.4. CSR Filter

CSR Filter, “A sustainable effort to attain a firm’s mission, and vision depends on strategy, and tactics which evaluated through CSR filter” (Werther & Chandler, 2011, p.86). CSR can be integrated through the organizations strategic decision and plans must be evaluated through a CSR filter. This framework includes environmental policies. It is the firm’s strategy on the environment which it operates. Strategy and structure are interrelated to operating in an environment. This model is one of the appropriate model for business because it allows the stakeholders to understand how organizations strategic CSR create value and implement its commitment.

CSR filter gives organizations the opportunity to see their weakness and stay competitive in global business environment. CSR filter is a tool to measure or evaluate the level of CSR implementation and shape the CSR activities in legal, environmental and reliable manner (Werther & Chandler, 2011).
However in this paper we do not evaluate our cases CSR activities but CSR filter give us better chance to see similarities and differences through comparing companies commitment and implementation.

3.5. Max Human Needs Theory

Manfred Max-Neef, a Chilean economist with many years background experience in issues of development in the third world country. Arguing against the inappropriateness with the top down methods of development, saying that these methods has brought about increased poverty, massive depth and ecological disaster for a lot of the third world countries, that development which is in line with the satisfaction of human need cannot be integrated with a top down approach, neither by law or decree. The theory proposes that human development is satisfied based on fundamental human needs, generating growing levels of self reliance, developing the construct providing the people with nature and technology, global transmute with local, state align the needs of the civil society and state (Max-Neef, 1992).

Max’s main advancement in understanding Human Needs is the clear cut difference between needs and satisfies stating that wants are classifiable and are constant across human cultures, history and time. That is what changes over time and in culture is the way these needs are meet. The theory argues that “needs” need to understand in context and its interrelatedness through a process that defines the wealth and poverty of a community focusing on the development of how these needs will be met (Max-Neef, 1992). Furthermore, that there is no hierarchy in needs rather satisfaction in need are tradeoffs that complement each other. Max-Neef (1992) added that, this model impacts on Subsistence, Protection, Affection, Understanding, Leisure, Creation, Identity, and Freedom.

Salado and Nilchiani (2013) classified human needs into four main dimensioned which Doing, Having, Interacting, and Being. Human needs satisfaction is facilitated by the achievement of a combination of satisfiers that relate to each existential category. The main four dimensions impacts, Functional (Do), define what the system must do, Performance (Being), define how well the system must operate, Resource (Have), define what the system can use to transform what it accepts what it delivers and Interaction (Interact), define that where the system must operate, which includes any type of operation during the life-cycle. The Max-Neef’s proposition is not initial the classification category; it is a category which depends on culture and groups.

3.6. Stakeholders Theory

Werther and Chandler (2011) defined stakeholder’s scope from board to narrow as a group of individual with an interest in the firm's activities. Moreover, Clarkson (1995), cited by Wei-Skillern (2004), defined stakeholders as the population who are affected by the operation of the corporation, favorably or unfavorably, regardless of whether stakeholders are linked through explicit or implicit contract. Furthermore, Freeman (1984, p. 46) cited by (Wei-Skillern, 2004) defined that, stakeholder approach, as an influential piece on stakeholder management, and a firm's stakeholders defined as “any group or individual who can affect or is affected by the achievement of the organization's objectives”.

There are three separate groups of firm's stakeholders, organizational, economic and societal. Also illustrated the importance of stakeholder perspective and mentioned that, stakeholder perspective affect firm’s operation by integrating stakeholders CSR perspective within strategic planning. Consequently, if a firm integrates a stakeholder perspective, it will be better prepared to respond to their needs.
The stakeholder theory in the management literature is confirmed as an instrument of power, descriptive accuracy, and normative validity, which these aspects are completely different to each other, and involves the different idea, different arguments and also different implementation (Donaldson & Preston, 1995).
Method

Method is a set of techniques which is used for the creation, collection, coding, organization and analysis of data (6 & Bellamy, 2012). Method is distinguished from other major research activities such as ‘listening’, ‘conversing’, ‘participating’, ‘experiencing’, ‘reading’ and ‘counting’. All of these activities are concerned with the philosophical meaning of ‘observing’ (Blaikie, 2003, p. 15).

Data

Data is simply regarded as something we collect and analyze in order to reach the researcher’s conclusions. We have two main forms to create social science data, in words or in numbers (Blaikie, 2003). There are three forms of data primary, secondary and tertiary. This research is based solely on secondary data.

Blaikie (2003, p. 18) mentioned that, “A researcher may use data, which have been collected by someone else, either in a raw form or analyzed in some way”. A researcher has to describe why and how they collected data. The aim of our data collecting in this research is to find answers to our research questions by explorative and then generalized the answer to the social phenomena.

Secondary Data

Secondary data is a kind of data that already has been collected by another researcher for different purposes or to answer some questions in a specific research project (Blaikie, 2003). Silverman (2011, p. 347) mentioned that, “Secondary data are usually used for analyzing data which originally has collected by another set of researcher”. In general, secondary data were collected from published papers, annual report, fact sheets and materials which did already exist no contribution from the researcher (Blaikie, 2003). We have used secondary data in our thesis by finding data from the annual report’s Chevron and Shell organizations which cited on their official Web Pages, regards to implementation of CSR in their companies.

Data Creation, Collection, and Coding

The main source for this research is from course literature books, and also different academic, scientific articles and academic journals from the database and Google scholar in the Malmö University library. The keywords for us to find relevant articles were “CSR”, “implementation of CSR”. Furthermore, for finding more relevant and efficient articles we combined two main keywords with each other; such as “CSR” with “developed and developing countries” and also “Economic development” with “developing and developed countries” words and “Economic development” “CSR”.

We also found some articles from the reference list of those articles that we used them in our thesis; because, we found them relevant to our topic, when we found some interesting and relevant articles; first of all, we checked the keywords, when we understood the keyword is
relevant to our subject, then scanned the abstract of that article; and finally, We choose relevant articles to our research. We coded all of the data found, according to the date. Indeed, we limit our choices to the scientific articles and also limit our choice for the latest date and tried to use recent articles. We choose our articles, journals and find E-journals from the Malmö university library. On the search paths on the library webpage, and we limited us to the subjects and we chose the “sustainability science” and “sustainability development” area, and then limit ourselves to the CSR word.

6 and Bellamy (2012) talk about factors that affect selecting cases the number of cases and diversity, the practical number of cases should be between four and twelve. The aspect of diversity borders on the similarities and differences, but they should be in context to allow for theory development which is important to the research could be reached, note that this might be impossible and may lead to restricting the case to a single context. Based on diversity issues facing selection of cases we have chosen two contexts and hope to draw out differences while analyzing the cases.

We have chosen Chevron and Shell organization in case to see the level of CSR commitment and implementation in different locations. Chevron and Shells both have similarities and differences which are interesting to compare. Both organizations are oil and gas industry and have annually reports on CSR and sustainability aspect. Shell highly recognized in corporate citizenship worldwide. She leads major international CSR initiatives such as the Global Compact and the Global Reporting Initiative (GRI) (Frynas, 2009). From the environmental perspective oil Spill is one of the most significant issues in oil and gas operation. Large companies like Shell and Chevron annually reported the total spill number and volumes. Shell uses different categories for this reporting, for example, she distinguishes between operational spills, sabotage spills, and hurricane spills, but Chevron counts all spills to water, even those that are smaller than one barrel. In this way Chevron feel more responsible in terms of providing data about the spill and she would appear sauced a lot spill than the other companies in this field (Frynas, 2012). Chevron is dedicated to the implementation of fundamental aspects of CSR, such as disparate as taxation, labor law, environmental protection, immigration, foods and drugs, and highway safety (Sunstein, 2005).

In addition Utting and Ives (2006) clarified that, Chevron goals are directed towards regional development, multi-stakeholder approaches and greater transparency in project implementation as well. In the other hand, Shell is active in contacting external stakeholders and she has two overarching objectives of her stakeholder’s engagement; securing a license to operate and mending corporate reputation. These two objectives shape company’s CSR strategies, especially in Nigeria (Rwabizambuga, 2007).

We have chosen Canada and Nigeria countries, because, first of all, both companies-Shell and Chevron-operate activity in these two countries. Secondly, Canadian government has a variety of initiatives which demonstrate Canada’s longstanding commitment. Among national and international companies Canadian government provides CSR-related guidance and defined CSR standards (Foreign Affairs, Trade and Development Canada, 2014). Both companies have been criticized in terms of their treatment against local people and the environment (Frynas, 2009). Finally, according to HDI Canada is rated as developed and Nigeria rated as developing countries. We are aware that there are other variables which might affect economic development on the implementation of CSR such as, female education, sustainable development etc. But, we are interested in HDI because these variables are universally accepted measures, and also because the HDI considers a lot of characteristics that measure a person’s living standards (Max Human Needs) for economic development.

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<table>
<thead>
<tr>
<th>Case Classification According to HDI</th>
<th>Chevron</th>
<th>Shell</th>
</tr>
</thead>
<tbody>
<tr>
<td>High HDI (Developed)</td>
<td>Canada</td>
<td>Canada</td>
</tr>
<tr>
<td>Low HDI (Developing)</td>
<td>Nigeria</td>
<td>Nigeria</td>
</tr>
</tbody>
</table>

### 4.4. Data Analyzing

All social research and data collection should answer research questions. Data analysis is one of the most important ways to answering research question(s). In some cases, theoretical hypotheses can answer “why” research questions and in other cases, research questions can be answered directly from data analyzing (Blaikie, 2003). Also Silverman (2011, p. 101) mentioned that, “document's content is important and deserves systematic analysis” and a comprehensive summary or overview of the data set as a whole” (Silverman, 2011, p. 169). So by reviewing our research design and research strategy, we begin to analyses data in the appropriate manner. The strategy for analyzing our collected is to compare companies according to their CSR commitment through their strategy, mission and vision. Through thematic analysis using themes to identify, analyze and report patterns found in collected data (Braun and Clarke, 2006) We will analyze and evaluate case’s CSR strategies using the theories presented in the theoretical framework. Such as Carroll Pyramid of CSR, Triple bottom Line (TBL), CSR Filter, Max Human Needs and Stakeholders theories to analyzing our data.
5. Case Studies

In this research, we are interested in the organization’s behavior through their CSR implementation. In this chapter, we present our cases and then we analyzing them. There are different methods of data analyzing for instance, content, themes, ethnographic, phenomenological, narrative, experiential, biographical, discourse, or conversation analysis. The most relevant approach to our work is content analyzing. The content analysis approach is based on examination of the data for recurrent examples. These examples are then systematically identified across the data set, and grouped together through the coding system (Silverman, 2011). Our analysis focuses on what the company as our cases does more than how they do it.

Through available data, CSR implementation, we will be exploring to find out that operational location has an effect on CSR strategies and implementation in the organization. To find the proper answer to our supposition we will look to two different companies. To be more reliable and give us more opportunities to compare, we will look to two different locations in which these companies operating. In this research, we have Chevron and Shell as cases. For Chevron, Canada as a developed country and Nigeria as developing country will be analyzed to understand how operational context may affect CSR strategy. The second case is Shell and we look to Canada as a developed and Nigeria as a developing country for this company. We classified these contexts (developed or developing country) according HDI as an economic development measurement tool. CSR activities - economic, legal, ethical and philanthropy-help organization to improve its legitimacy in the community. CSR strategy in an organization depends on some internal and external factors. Here we focus on external factors (organization environment) and especially operational location.

5.1. Case 1: Chevron

Chevron is an American multinational energy corporation. It made its first discovery of oil in Pico Canyon, north of Los Angeles in 1876. Today, it is leading energy company in California and a supporter in job creation for over 200 non-farm jobs in the state by producing transportation fuel for one of every five vehicles in California and supply aviation fuel to the state’s major airports as well. It took on the name Chevron when it gets Gulf Oil Corporation in 1984. Chevron is active in more than 180 countries worldwide, and it is second largest U.S. Oil Company and third largest U.S. corporation as well. In 2010, Chevron has been the sixth largest global oil company, eleventh largest global corporation and 45th largest global economy (Chevron, human and energy, 2012).

The vision, mission and strategy of Chevron give us the opportunity to see the company’s commitment (Chevron, human and energy, 2012).

Vision

- Provide sustainable energy products for economic progress and human development
- Superior capabilities and commitment to people and organization
- Multi choice opportunity
- Deliver world-class performance
- Stockholders admiration- customers, government, company employees, investors and local communities- for long term.

**Mission**

The mission of the company is to working in ethical and social responsibility manner. Moreover, environmental protection, community benefit, support for human rights in the operational location is basic. They believe that protecting people and environment, and having high performance, trust, diversity; integrity, ingenuity and partnerships all are defined value’s organization.

**CSR Strategy**

Chevron’s plan is to be a good neighbor, by helping to improve the future with those community regards to operational location. It is committed to help and improve community’s need, by focusing on health, education and economic development sectors:

- **Health**: Chevron believes healthy people create healthy community and by improving medical care and work closely with NGO’s to support HIV/AIDS awareness, testing and treatment programs.

- **Education**: To help the communities to progress in the 21st century economy, Chevron support education.

- **Economic Development**: To create jobs Chevron invests in microfinance program and wants to support self-sufficiency to enhance the standard of living in operational communities.

**5.1.1. Chevron in Canada**

Canada is a country located in the North of America. Canada is one of the very high human development countries and has placed number 11 in this ranking (UNDP, 2013, p. 144). Chevron has arrived in Canada late 1938 under the name of Standard Oil Company of California and invested in wind-scoured plains of southern Alberta (Chevron Canada, n.d.). During this long history Chevron has had a good relationship with the Canadian government and the community.

Chevron community support in Canada focuses on human needs aspect, such as training and education. Chevron has worked in Canada more than 20 years with some of the organization and supporting them such as being sponsored for many programs and to offer different kind of services to youth by teaching them a leadership skill- First Nations youth and community leaders- to addressing early childhood literacy and youth homelessness. Chevron in Canada defined its activities toward Canadian community in these areas; *Community, Education and training*, and *Environmental* (Chevron, 2014, Chevron Canada, 2011).

**Community**

- **Chevron community** continues to aid people and organization by equipping them with training which helps provide for low-income clients with work skills and basic life skill through Stella Burry Foundation.
Tooth Trolley is one of the greatest Vancouver communities of the immigrants, who have low-income, with lack of knowledge and resources to achieve optimal oral health. For solving this problem, chevron has associated with the Vancouver Community College Foundation to fund oral health care services and education not only for students, but also for parents at Edmonds Community School in Burnaby.

Special Events in British Columbia, Chevron spend lots of money for keeping the social community strong, and sponsor to many large scales of public events for social happiness such as, Canada Day Celebrations, Safety event and Giro di Burnaby cycling races and marquee summer event and Roots Festival.

**Education and Training**

- The *Chevron Science Olympics* since 1988 Chevron in Canada has been sponsored Chevron Science Olympics by financial support and volunteer support. Every autumn, they are holding an event in schools as a problem solving events, and provide team work experience, creative challenge with fun and excitement for students. Chevron offers them cash sponsorship for the school's science department, and individual trophies and prize for the winner.

- The Science Connections Program at the Newfoundland “Science Centre” provides elementary school with a high-quality equipment, hands-on science program to engage and helps foster an appreciation for all of the science has to offer them. The Science Centre’s award-winning programs which are accessible to all students without any cost for the schools.

- Teaching leadership skills Chevron sponsors a huge number of programs and organizations which offer services ranging from teaching leadership skills for addressing early childhood literacy and youth homelessness.

- Choices for Youth, in 2010, Chevron Canada chose Choices for Youth as an “Adopt-An-Agency” partner after a survey showed that employees in the St. John’s office wanted to focus their giving on social services. The partnership is long term and multi-faceted, including the donation of time, money and talent. Choices for Youth provides lifestyle and development support to youth in the St. John’s metro area. Chevron employees regularly volunteer for the organization and participate in fundraising events throughout the year.

**Environmental**

- Chevron has a multifunctional approach to the environmental issue. One of their activities is improving the quality of the fuel, which they market, by a process which they transport the fuel, and also with the reefing system which all effect to lower emission. They are addressing the objectives of the Greater Vancouver Regional District's Air Quality Management Program. Also, they continually upgrade and revamp their refining process and their refinery.

- Rigorous recycling or reuse and reduction program is another activity of this company. Ex recycling water at the factory, multiple reuse of steel drums, used oil return programs, and also paper recycling in the offices are all recycling activities do by Chevron.

- Nature Conservancy of Canada (NCC): For truly sustainable development through the richness and diversity of biological life Shell has provided the NCC project.
- Biodiversity: considering biodiversity is a very important factor for Shell, especially in a new major project. The Shell True North Forest is one of the Shell project in this field. It is a park located in northern Alberta’s boreal zone with 1,820 acres (740 ha) used by Shell to guide environmental performance in its oil sands business (Shell Canada, n.d.).

5.1.2. Chevron in Nigeria

- Federal Republic of Nigeria is a country located in West Africa. Nigeria has been classified as low human development and has placed number 153 in this ranking (UNDP, 2013, p. 146). Chevron is a third largest oil producer in Nigeria and it does headquarter located in Lagos. Texaco product by Chevron was the first marketed in Nigeria in 1913. Chevron in Nigeria is playing a leading role in the development of indigenous capacity in Nigeria’s oil and gas industry.

- Chevron energy exploration and production in Nigeria began more than 40 years ago and in 1996 Chevron built 103,000 barrel and storage terminal in Apapa. Chevron discovers oil at the Koluama Field in 1963, and one year later started drilling near the Escravos River and Okan Field. One of the largest deep-water is Agbami Field in Nigeria, which discovered in 1998 by Chevron (Chevron Nigeria, 2014).

- CSR activities mainly focused to effect on local communities. The oil and gas companies provide waters, hospitals and schools and most of the times these activities are not sustained (Amaeshi et al., 2006). Chevron has a very important role as a member of Nigerian community and is actively supporting many health, economic development and education projects. Chevron helps Nigeria to bring sustainable development to its community in the areas of job creation, infrastructure development, local capability building, health, education and economic empowerment (Chevron Human Energy, 2012).

Community Activities

- Chevron Nigeria is focused on these important sectors, Health, Education, Economic-Empowerment, and Environment. (Chevron Human Energy, 2012).

Health

- Bringing Healthcare to Riverine Communities: Chevron and Nigerian National Petroleum Corporation (NNPC) in 2001 first provided River Boat Clinic (RBC). It was initiated specifically to meet the medical care need the Escravos and Benin River regions of the Western Niger Delta. This clinic offers health care service through its mobile team.

- Support for HIV/AIDS Prevention and Control: Chevron helps to fight HIV/AIDS by funding the global program and the Nigerian National Agency for control these diseases.

- Roll Back Malaria: This program launched in 2006 and focus on children under the age of five and pregnant women (Chevron Human Energy, 2012).

Education

- Empowering Young Scholars: to empowering Nigerian students, Chevron annually provides thousands of scholarships in secondary and tertiary institutions. As well as donate
and support these students by building classrooms, laboratories, libraries, sports facilities, and sponsors competitions.

- **Agbami Medical and Engineering Professionals Scholarship (AMEPS):** more than 9,870 engineering and medical students have been supported by Chevron under this program.

- **Awokoya Memorial Chemistry:** in chemistry field, Chevron sponsored the Awokoya Memorial Chemistry Competition.

- **Chris Ikomi Memorial Essay Competition:** In Delta State Chevron sponsored this institution to help students to study the English language in secondary schools.

- **E-learning centers:** to learn student in Nigerian government-owned schools Chevron supports some programs in these schools through the donation of science laboratories and electronic libraries (E-learning centers).

- **Science laboratories:** Chevron with its Deep Water partners builds total 14 science laboratories in different parts of Nigeria.

- **Discovery Channel Global Education Partnership (DCGEP):** to raise awareness and empower Nigerian children, teachers and in the general community Chevron in collaboration with Coca Cola launched this Learning Centers in eight under-resourced schools in Lagos State.

- **Chevron has built five classrooms with staff room for the Ekpan Primary School,** which it is one of the best schools in that region. They provide electricity, computers, furniture and potable water for the school (Chevron Human Energy, 2012).

### Economic Empowerment

- **Escravos Gas-to-Liquids (EGTL) is a project initiated to empower local communities.** Chevron and Nigerian National Petroleum Corporation, through EGTL project provided funding for many enterprises in small-and medium-scale in Delta State.

- **Chevron provides seven projects in Itsekiri communities.** These projects provide funding for different skills acquisition, teachers’ quarters, civic/youth centre, and town halls.

- **Aruakpor-Umah Solar- powered Street Lighting project.** By providing street light for Aruakpor-Umah community, Chevron helps to reduce criminal activities in this area.

- **Ogbe-Ijoh Warri Clan Project:** Chevron builds Ewein Civic Center with multipurpose hall with 300-setter for this community (Chevron Human Energy, 2012).

### Environment

Operational Excellence (OE) is a management of process directed towards personal safety and health, environment, reliability and efficiency to achieve world class performance. The commitment of this management is represent Chevron value of protection people and plant.

- **Eliminate spills and environmental incidents (Environmental Stewardship):** In 2012, they implement the programs and collaborate with one of the local companies for recycling their spent batteries and their crushed tubes, or bulbs based on alliance and enter to the third party facility.
- Identify and mitigate environmental process to check safety risks: In 2012, Chevron in Nigeria conducted environmental safety risk evaluation on 12 facilities with experts within the company. They approved risk studies and incident free operation of facilities to protect people and the environment.

- Environmental Conservation: Responsible management of environmental issue is a part of Chevron core business. In (2012) donate N59 million (approximately $375,000) to the Nigerian Conservation Foundation (NCF) to support the execution the program which include of the ability to environmental research and education to promote sound environmental practices and conservation techniques (Chevron Human Energy, 2012).

5.2. Case 2: Shell

Royal Dutch Shell plc known as “Shell” is a global group of energy and petrochemical companies. Shell is an Anglo-Dutch multinational oil and gas company which was founded in 1833. With headquarters in the Netherlands and incorporated in the United Kingdom. Shell employees are around 92,000 and operate in more than 90 countries and territories. Their innovative approach ensures that, they are ready to help tackle the challenges of the new energy future; moreover, they are using advanced technologies by having an innovative approach to help build a sustainable energy future (Shell Global, n.d.).

Corporate Social Responsibility (CSR) in Shell strategy means that in economically, environmentally and socially responsible ways to help the world to meet its growing energy need. To meet this strategic Shell has a set of standard and requirements covering Health, Safety, Security, Environment (HSSE) and social performance (Canadian Business for Social Responsibility, n.d).

To be more reliable and critical about Shell and its CSR activities we are looking to company’s mission, vision and strategy. We use company’s official web page to find the mission, vision and strategy of a shell company (Shell Global, n.d.).

Mission

Shell believes that oil and gas will be integral to the global energy needs for economic development for many decades to come. Their role is to ensure to extract and deliver them profitably and in environmentally and socially responsible ways.

Shell seeks to have high standards in performance, maintaining a strong long-term and growing position in the competitive environments in which it chooses to operate. Shell aims to work closely with its customers, partners and policymakers to advance more efficient and sustainable use of energy and natural resources (Shell Global. n.d.).

Vision

Vision of the Shell Group is engaging efficiently, responsibly and profitably in oil, oil products, gas, chemicals and other selected businesses and to participate in the search for and development of other sources of energy to meet evolving customer needs and the world’s growing demand for energy.
Strategy

Shell businesses collaborate with governments and civil society, including NGOs, from a different level. Sustainability in the Shell is integrated across its business activities on three levels:

- Running a safe, efficient, responsible and profitable business: having global standards, tools and processes to manage community, safety and the environment in their operational locations. Shell tries to minimize adverse environmental and social impacts across our projects and facilities.

- Sharing wider benefits where we operate: Long term plan to be a part of community and support those projects which based on the needs of the local communities. Shell helps to develop local economies by creating job opportunities, sourcing from local suppliers, and paying taxes and royalties.

- Helping to shape a more sustainable energy future: For better, sustainable and clean energy in the future Shell has continued to contribute to the public dialogue on energy and climate policy. Sell believes to shape better and more sustainable energy in the future business, government and civil society should work together.

5.2.1. Shell in Canada

The Royal Dutch/Shell Group registered its Canadian business in 1911 with a capital of only $50,000. After few weeks, the company opened its Longue Pointe Bunkering Plant in Montréal and started to work with just six employees. After four years, the Royal Dutch Petroleum Company and the "Shell" Transport and Trading Company have entered to the international marketplace (Shell Canada, n.d.). And then, the number of employees changed to approximately 8,000 people across the country. The first motor-driven tank truck which goes into service in Canada was in 1914 (Brown, 2013).

Shell CSR activities; in Canada has invested in these areas: Environment, Education and Community (Shell Canada, n.d.).

Environment

- Energy Diet Challenge: establish classroom for student in Energy Diet Challenge to raise their awareness about energy through a competition among student groups between kindergarten and grade 12.

- Fuelling Change: a project to save air and water by Shell and investment annually 2$ million to environmental project under name of Fuelling Challenge.

- Preventing spills: to reduce the level of oil spills risk Shell use ships with high quality assurance standard. For example, Shell uses larger ocean vessels to have double hulls.

- Reducing water use: Shell provide its needs in water through innovative way. Shell design and operate its facilities to manage its water use. For example, in Canada Shell recycle 78% of oil sand operations.
**Education**

Kindergarten to Grade 12: Shell helps student in those communities which operate by invest in a number of programs to provide more educational opportunities for local youth.

- Post-secondary education: to support innovative post-secondary education Shell supports and partner with different institutions in Canada.

**Community**

- The Banff center: to empower and educate leaders Shell support leadership program in Banff Aboriginal center. The aim of this program is to help leaders gain an understanding of how to plan and develop their ability to lead more effectively in community.

- Inspire: collaboration with Inspire- a Canada-wide charitable organization for more than 26 years for help Aboriginal people to providing their necessary tools to achieve their potential.

- Our Neighbors: minimize negative impact on the neighbors and help the community by funding projects that are located near our operation throughout Canada.

- Shell Albian Sands: help community to unlock new experiences and opportunities to helping community meets real needs in areas of education, healthcare, employment and quality of life services.

- United way: Shell by support the United Way engages to provide jobs, food and shelter for Canadians. In this way Shell wants to improve social and health services and help children access education.

- Community service fund: The volunteer efforts of employees, retirees and retailers/agents in NGOs and funding these NGOs by Shell Community Service Fund (CSF).

**5.2.2. Shell in Nigeria**

Shell is Nigeria’s oldest energy company. It has a long term and continuing commitment to the people and the economy in the country. The Royal Dutch/Shell founded D’Arcy Shell in Nigeria in 1936. It was the first Shell Company in Nigeria and has been active since 1937. Today, Shell has more than 6000 direct employees in Nigeria (Shell Nigeria, n.d.).

Shell CSR activities in Nigeria has been proved through five sectors, *Business Development, Scholarships and Education Programs, Health, Environment* and *Global Memorandum of Understanding* (GMoU) (Shell Nigeria, n.d.).

**Business Development**

- Micro Credit: Since 1988 Shell in Niger Delta State implement micro credit to establish new and small businesses in community. The micro-credit and business development program started in 1998 to help and support communities to empower entrepreneurs to take advantage of the economic opportunities in that area. This program assisted by local NGO and mentor beneficiaries, and also Micro Finance Banks have been introduced to improved monitoring and repayment system. This program has three categories and services which impacts of; community-based enterprises, micro-credit schemes and youth business development
program. Micro-credit program has helped to above 30,000 people to establish business and also empower 2,700 woman and young people to starting the small local market (Shell Nigeria, n.d.).

- **Live Wire Nigeria Program**: to grow and set up young entrepreneurs in Nigeria, Shell provides finance and training program under name of Live Wire Nigeria. Shell global community in Nigeria starts to program, live Wire Nigeria program, in order to further the young people undergraduates and postgraduates school leavers. They program develops skills to help start their own basic business thereby empowering them. Since 2003 to February 2012, 3408 young people have trained, and 908 of them have received awards business benefit.

Also in 2009, 39 entrepreneurs manage to set up and expand their business. Also agriculture is one of the main sources of income in Nigeria, Shell has training 3,400 farmers under this program and has provided technical and business skills training for 11,000 farmers and has created 3,600 full-time and 9,000 part-time jobs in this section had by the end of 2010, 588 out of 3000 candidate who trained, they have awarded set up business benefit (Shell Nigeria, n.d.).

**Scholarships and Education Programmes**

- **Education Support**: to provide sustainable education Shell supports and assist host communities. Shell actively and directly involved in the development, planning, evaluation and implementation, educational program for all stakeholders. For example, Shell Professorial Chairs Shell Eco-marathon, Research & Development Projects Sabbatical Attachments, School Nigeria, Shell Guest Lectureship and Summer School (Shell Nigeria, n.d.).

- **Student**: Shell supports student from Niger Delta State and other parts of Nigeria by providing a scholarship for them. Shell supports approximately 13,650 secondary schools and 3,400 university students at one time.

- **Youth Development Scheme**: Through this scheme training program by NGOs and funding from Shell, the company wants to reduce unemployment among young and provide real job opportunities. This project offers training to young people in different field such as: welding, sewing, auto mechanics, electrical work, computer technology, hairdressing, building, baking, soap making, plumbing and fitting.

- **The Shell Cup**: to improve youth student talents in football and continue in studying at same time, Shell provides this opportunity through Shell Cup.

**Health**

- **Basic Health Care**: through its health outreach programs Shell treated more than 265,000 people and helped to deliver more than 2,000 babies. And also provided health services including health education, vaccinations, eye-testing, treatment of malaria and minor ailments, the distribution of mosquito bed nets, HIV screening and de-worming school children for more than 114,000 people. The Rivers State government in the Niger Delta and Shell in 2010 launched the first community-based health insurance program in Nigeria. This project involves the private sector, government and community (Shell Nigeria, n.d.).

- **HIV/ Aids**: in providing high quality HIV/AIDS service Shell build five hospitals in Abia, Rivers, Delta, Edo and Bayelsa states. The facilities, located at many places such as: Owaza (Abia), Erhoike (Delta), Oben (Edo), Edagberi (Rivers), and Otuasega (Bayelsa). This project offers the life-saving chance for people living with HIV/AIDS, by providing them with comprehensive counselling, care and treatment.
- Immunization: is a project by Shell and Community Health Services policy to cooperate and work as partners with host communities. The aim of this project by Shell, government, local and international organizations to improve the overall health for people in that community which the company operates.

- Malaria Control: Shell in collaboration with Africare fund project with 4.5$ to save mothers and children from the impact of malaria in Niger Delta State.

- Health in Motion: fund the mobile team to visit a poor location in the Niger Delta and treat poor people in those locations against HIV.

Environment

- Biodiversity: is one of the important factors for Shell’s operation and collaborate with the International Union for Conservation of Nature (IUCN) and Wetland International. Shell provide purifying, water, and air and sustainable food for community which operate through the benefits of ecosystems (Shell Nigeria, n.d.).

- Preventing spills: one of the most important environmental disaster happened in Nigeria Delta through desolation of facilities resulting in oil spills. During the past five years, 70% of desolation in the Nigerian community was from oil spills. Shell with collaboration with government and community, join the team to cleaning up oil spills. In Nigeria Delta Shell has researched and adopted a new technique to clean the oil spills in effective way which to save soil and climate in the equatorial heat area.

- Cleaner air: Shell tried to reduce the local pollutants in its operational locations. For this purpose Shell investment in installing sulphur dioxide capture technology and cleaner-burning equipment.

Global Memorandum of Understanding (GMoU)

It is an agreement between several communities (or cluster) which based on local government and Shell Company. This agreement brings communities, local government, Shell, and NGOs, in a decision-making committee called the Cluster Development Board (CDB). Through this project communities be a part of decision making and can decide what they need and want (Shell Nigeria, n.d.).
6. Analysis

In this chapter, we analyzing the cases from the data we collected and then processed in response to the problems and research questions. We put our finding into two tables, one for the company's strategy, mission and vision and one table for their implementation to make comparing and clear understanding. Our strategy for analyzing in this chapter is to compare companies according to their CSR commitment through their strategy, mission and vision with their implementation. Analyzing case within case, implementation of CSR is according to company’s commitment in different operational locations, Canada and Nigeria. We analyze and evaluate cases CSR strategies using the theories presented in the theoretical framework.

Royal Dutch known as Shell Plc is a multi-national global company that deals on energy and petrochemicals. Shell was founded in 1883 and its headquarters is in the Netherlands and incorporated in the United Kingdom. Shell operates in more than 90 countries and employees over a 100, 00. Shell was incorporated in Nigeria in 1936 and has been active since 1937 (Foundation Strategy Group, 2014). Also she has started her business activities in Canada in 1911 which was called The Dutch/Shell Group. They started their business with just 6 employees and went into full operations. After four years, the Royal Dutch Petroleum Company merged with Shell Transport Trading Company in the international marketplace (Shell Canada, n.d.). In terms of CSR Shell adopts an economically, environmentally and socially responsible strategy to respond to the world's growing energy requirements. This is achieved by setting standards or requirements that cover health, safety, security and environment (HSSE).

Chevron formerly is known as an American multinational energy corporation founded in 1847 in Los Angeles, the name changed to Chevron in 1984. Chevron has operated in over 180 countries worldwide and 80,000 employees. It's the second largest U.S oil company, third largest U.S corporation. Chevron first arrived in Canada late 1938 as Standard Oil Company of California. Chevron began business activities in Nigeria in 1913 marketing Texaco products in the country later changed, expanding to oil exploration in 1963 under the name of American Overseas Ltd, which was responsible for the discovery of oil in the Koulama Field offshore and the 1998 the Agbami Field which appears to be the largest deep water discoveries in Nigeria. They later changed name to Texaco Overseas Nigeria and started drilling in 1963. Chevron in Nigeria is a third largest oil producer and its headquartering located in Lagos.

<table>
<thead>
<tr>
<th><strong>Table 3. Cases Strategy, Mission and Vision Comparison</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Items</strong></td>
</tr>
<tr>
<td><strong>CSR Strategies</strong></td>
</tr>
</tbody>
</table>
### Mission

1. Working with ethical and social responsibility manner
2. Protect the environment
3. Support human rights and benefit and community in the operational location

1. They try to make ensure that they extract and deliver profitably regards to environmental and social responsible aspects.
2. Their mission is performing with high standard within a strong long-term and increasing their position.
3. Their target is working with their customers, partners and policy makers so closely with efficient and sustainable manner regards to energy and natural resources.

### Vision

1. Provide sustainable energy products to economic progress and human development.
2. Superior Capabilities and Commitment for people and organization.
3. Multi choice opportunity.
4. Deliver world-class performance
5. Stockholders admiration-customers, government, company employees, investors and local communities- for long term.

1. Participate in the research in order to find out other recourse of energy to understand the customer’s need.
2. Try to make oil, gas and chemical industry profitable for their stakeholders.

According to Carroll pyramid (1991), states to be perceived as a legitimate business an organization should include CSR business responsibilities. The pyramid of social responsibility argue from the moral perspective, that CSR has four components; economic, legal, ethical and philanthropic. In the table above there are correlations between Carroll’s Pyramid of responsibility in chevron and shell business strategies. Chevron puts into consideration the community which they operate in focusing on health, education and economic development. Chevron also talks about its mission and vision towards the society and environmental friendliness. Shell’s business strategies are so similar to that of Chevron business strategy in general. But there are also differences in their strategic statement chevron goes more into depth talking community involvement health and economic development whereas shell just mentions willingness to work with community and government.

### Table 4. Cases CSR Activities Comparison According to Their Operational Locations.

<table>
<thead>
<tr>
<th>Items</th>
<th>Chevron</th>
<th>Shell</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission</td>
<td>1-Working with ethical and social responsibility manner</td>
<td>1-They try to make ensure that they extract and deliver profitably regards to environmental and social responsible aspects.</td>
</tr>
<tr>
<td></td>
<td>2- Protect the environment</td>
<td>2-Their mission is performing with high standard within a strong long-term and increasing their position.</td>
</tr>
<tr>
<td></td>
<td>3-Support human rights and benefit and community in the operational location</td>
<td>3-Their target is working with their customers, partners and policy makers so closely with efficient and sustainable manner regards to energy and natural resources.</td>
</tr>
<tr>
<td>Vision</td>
<td>1-Provide sustainable energy products to economic progress and human development.</td>
<td>1-Participate in the research in order to find out other recourse of energy to understand the customer’s need.</td>
</tr>
<tr>
<td></td>
<td>2-Superior Capabilities and Commitment for people and organization.</td>
<td>2-Try to make oil, gas and chemical industry profitable for their stakeholders.</td>
</tr>
<tr>
<td></td>
<td>3- Multi choice opportunity.</td>
<td></td>
</tr>
</tbody>
</table>

The Human Development Index is a measurement scale which is used to check the economic development progress of countries at national and sub-national levels. It compares the per capita income at national and regional levels with the level of human development. This
measure will be used to look at the similarities and differences in CSR implementation for both companies and locations using the above table.

According to HDI Report (2013, p. 144-150) Canada Index 0.911 rank 11 and Nigeria Index 0.471 ranks 153, the ranking suggests that Canada belongs to the category of developed countries while Nigeria belongs to developing.

Health

According to Werther and Chandler (2011) stakeholders are a group of individual with an interest in the firm’s activities, which they are divided in two categories, external and internal. Stakeholder perspectives have an effect on the firm’s operation by integrating stakeholders CSR perspective within strategic planning. Firms by integrating a stakeholder perspective will be better prepared to respond to stakeholders’ needs. In addition Max-Neef et al, (1987) Human Needs theory clarified that, there are difference between needs and satisfiers according to human cultures, history, time, and also the level of economic development. These two MNCs define the wealth and poverty of a community by focusing on the needs due to the level of economic development in dealing with how these needs are met. By looking at The HDI table, we have found that the life expectancy rates in Nigeria (52.3) are lower than that of Canada (8.1), meaning that the health standards in Canada are far much better than Nigeria. Table 4 shows that both organizations in their CSR implementation in Nigeria have activities with regards to health.

Chevron Nigeria has a program Riverboat Clinic (RBC) which is actually a mobile hospital used to reach out in rural areas to administer minor treatment. They also partner with local organizations to combat HIV/AIDS and Malaria, also providing funding to aid in the building and equipment of hospitals. Also Shell Nigeria rolls out similar programs in combating HIV/AIDS and Malaria with funding for infrastructure and immunization. The table also shows that there are no CSR activities regarding health present in both organizations in Canada.

Education

The level and types of needs will shape organizational operations. According to Max Human Needs theory, we can understand all human needs are interrelated and interactive. There are basic human needs and this theory categorizes these needs according to culture and groups. These categories are being, having, doing and interacting. Having needs is basic and primary human needs. To answers the local needs organization must identify potential needs and classify them.

The rate education in Canada 12.3 and in Nigeria is 5.2 according to HDI. So, it confirms that Canada has higher levels of education than Nigeria. Here we have CSR activities of both organizations with regards to education in both locations. But it was interesting to find that what they do vary from location to location. For example, Chevron in Canada sponsors programs which teach leadership skills on how to deal with childhood literacy and youth homelessness, also programs that help children curriculum to be more hands on like going to the zoo and visiting museums and science centers, also they provide funding for research by partnering with universities. There are similarities with the activities of Shell Canada sponsoring programs which support innovate post-secondary education and trade schools to strengthen student engagement.

Both organizations have similar activities in the Nigerian location. Shell in Nigeria awards scholarships for 2,730 secondary schools, and 850 universities having 13,500 students in
secondary schools and 4,300 students in the university. These activities have supported by the (GMoU) which is an agreement with a cluster of communities with common interests that decided where and how it is used based on common interest. Chevron in Nigeria also offers scholarships in both secondary and tertiary levels of education. These scholarships have seen 8,870 students through universities to become medical and engineering professionals. They have extended their support erecting classroom laboratories, sports centers. Through this they have built 14 science laboratories and established e-learning libraries.

**Economic Development**

According to stakeholder’s theory by Werther and Chandler (2011) stakeholder perspective are affected organization’s operations. The organization should consider stakeholder perspectives on its operation in one hand and in the other hand participating them in its operations. This collaboration gives organizations more legitimacy and sustainability edge. Through organizations CSR activities and their interests in the economic sector, we can understand both companies invest in long term economic sustainability.

In its CSR activities which is referred to as economic empowerment Shell has programs and projects running in the communities like the Escravos Gas-Liquids (EGTL) projects which it runs with the Nigerian National Petroleum Corporation (NNPC) to provide funds for small and medium enterprises, she also has seven projects which provide skills for youths, erect buildings like teachers' quarters, civic centers and town halls. One of the projects also provides street lighting for security disturbed areas. Shell Nigeria likes Chevron Nigeria has two programs in their business development which focus on empowering the community economically. Firstly is the Micro-Credit which was rolled out in 1998. This is done through a group cooperative model and loan revolving method, fostering this program through NGOs and mentor beneficiaries. It also involves Microfinance Banks to monitor the process. This program has empowered 30,000 people to open and expand their businesses. The program also extends to training in the agricultural sector after which part of the trainee gets startup fund.

**Environment**

Slaper and Hall (2011) propose that the TBL is a conceptual framework that requires an organization to take into account three dimensions economic environmental and social responsibility while implementing its strategy. It means that TBL is a strategic tool required to achieve monetary and non-monetary goals, providing a win-win situation for all stakeholders. Werther and Chandler (2011) add to this by saying that TBL as a CSR strategy will lead to sustainability. This theory is evident when these companies try to replace energy or in some other way try to reduce the wastes. For sustained energy both companies in their operational locations support or collaborated NGOs project to protect the environment.

The HDI index in its latest report has not rated the sustainability level of both countries. The environment activities of Shell Canada are as follows, they engage in enhancing awareness of energy use for young students from kindergarten to 12th grade. They also invest $2 million in a project called fuelling change that is directed to saving air and water through Nature Conservancy of Canada (NCC) project. She also deals with biodiversity to sustain biological life. Chevron Canada follows suit reducing emissions in their business activities by advancing the quality in their fuel production through their refining processes, transportation, handling storage and distribution. These processes like that of shell aims to keep the air clear.

Chevron Canada also has a program called reuse and reduction, which has the objectives to reuse steel drums and recycle water, oil and paper in their refineries. Shell Nigeria also runs similar activities of that in the Canada indulging in biodiversity, air clean ups, but take an
extra step in supporting research on the identification and preservation of endangered species. Shell Nigeria also recognizes the importance of cleaning up oil spills and is committed to remedying the problems caused by oil spills by cleaning up and securing a certification of clean up from the Nigerian government. Furthermore to increase prevention she set up requirements for quality assurance of ships and tankers. Chevron Canada in their environmental concerns set up several programs like Proactive Risks Assessment, this program basically deals with assessment of facilities to check for environmental, health and safety treats this was carried out in 12 of their facilities using the company's experts. The Environmental Stewardship program is established for recycling batteries and crushed tubes. CNL Air Quality and Flare out Strategies program is designed to address the reduction of gas flaring and venting, also making sure that future facilities are equipped to deal with the issue to ensure the presence of clean air. CNL Environmental Conservation supports the Nigerian Conservation Foundation to protect preservations in the country.
7. Discussion

The analysis shows that there are similarities in the overall statements of the organization's strategy's vision and mission, we also find that there are similarities in CSR implementation in same operational locations and differences across locations. This means that both organizations in Canada have similar CSR activities and the same also goes for Nigeria showing that there are differences in locations CSR operations.

### Table 5. Table of Discussion

<table>
<thead>
<tr>
<th>Nigeria Health</th>
<th>Shell Health</th>
<th>Canada Health</th>
<th>Shell Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chevron Health</td>
<td>Shell Health</td>
<td>Chevron Health</td>
<td>Shell Health</td>
</tr>
<tr>
<td>1-River Boat Clinic (RBC) which is actually a mobile hospital. 2- Combat HIV/AIDS and malaria. 3-Funding to aid building &amp; equipment of hospitals.</td>
<td>Similar programs in combating HIV/AIDS and malaria with funding for infrastructure and immunization.</td>
<td>No activities in Canada</td>
<td>No activities in Canada</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td><strong>Education</strong></td>
<td><strong>Education</strong></td>
<td><strong>Education</strong></td>
</tr>
<tr>
<td>1- Scholarships in both secondary and tertiary levels of education. 2- Scholarship, student through universities to become medical and engineering professionals. 3- Support erecting classrooms, laboratories, sports centers. They have built 14 science laboratories and established e-learning libraries.</td>
<td>Offering Scholarships for university and Secondary school.</td>
<td>1-Teach leadership skills on how to deal with childhood literacy and youth homelessness. 2-Activities for children like going to the zoo &amp; visiting museums or science centers. 3-In university level provide funding for research by partnering with universities.</td>
<td>Similar activities, Also innovate post-secondary education and trade schools to strengthen students’ engagement.</td>
</tr>
<tr>
<td><strong>Economic Empowerment</strong></td>
<td><strong>Economic Empowerment</strong></td>
<td><strong>Economic Empowerment</strong></td>
<td><strong>Economic Empowerment</strong></td>
</tr>
<tr>
<td>1-provide funds for small and medium enterprises, 2- Different 7 projects which provide skills for youths, erect buildings like teachers quarters, civic centers and town halls. 3- Provides street lighting for security disturbed areas.</td>
<td>1- Business development which focus on empowering the community economically. 2- Micro-Credit project and Microfinance Banks to monitor the process.</td>
<td>No activities in Canada</td>
<td>No activities in Canada</td>
</tr>
</tbody>
</table>
Differences in strategy and implementation of CSR vary from one organization to the other. To understand the strategy and practices of CSR by organization, organizations should look to the stakeholder’s needs of the organization operational locations. The importance of organization existing is to answer stakeholders’ needs. In other words, the needs of stakeholders shape and channel the strategy and implementation of organization for-profit and non-profit activities.

Both companies, which have been studied in this research applies CSR strategically to raise their legitimacy and stay competitive in the community. Chevron and Shell are MNCs in the energy field, both exist in Canada and Nigeria and investment in long term sustainability through their strategies. We looked at the similarities and difference of CSR implementation for both companies in different locations in order to evaluate their activities in two different locations to find the reasons why these differences exist and what role played by economic development using HDI as a scale for measurement. Based on the HDI index, we identified the economic developmental level of both countries, categorizing Nigeria as developing (153) and Canada as developed (12). We understand that there are other mitigating factors that can contribute to these differences for example, governmental definition by the Canadian government and the level of CSR awareness in the developed and developing countries this refers to the perception and understanding of CSR in context.

Visser (1997) argues that, the neo-classical economic thinking has an adverse effect on development. That it has created problems such as economic dependence, community disempowerment, cultural breakdown, self-reliance, counter development and eco-communitarians. Concluding that for organizations to achieve sustainability, wealth creation, empowerment, social cohesion, ethical it is necessary to enforce support for community businesses and other organizations. This in line with CSR activities of both organizations in the health section of the analysis where they have a lot of activities like the programs to combat HIV/AIDS and Malaria, on the other hand there is no mention these kind of health activities in Canada. Based on the level of development measured with HDI Nigeria is quite lower than Canada and is subject to need more in Health care than Canada, therefore we can say that economic development affects or has an impact on CSR implementation. Community requirement becomes the determinant factor for implementation.

This is also visible in the education activities, although both organizations have activities in education there is a difference in implementation. In Canada organizations lean towards bettering the standards of education by fostering or funding extracurricular activities, but in Nigeria they concentrate more on scholarship aimed at producing more professionals in particular fields like medicine and engineering, building structures like E-learning centers and laboratories. All these are lacking in the community, thereby adding to the idea that economic
development is playing a major role. Note that HDI measures Nigeria in (5.2) and Canada at (12.3).

Daly and Cobb (1989) propose that there should be a change in traditional neoclassical economics towards a more community based perspective. It is emphasizing on decentralization of economic and environmental sustainability. This is central to the CSR activities of Shell and Chevron while dealing with economic empowerment and environment. It is evident in their environmental activities in both locations, the organization's focus on activities that are aimed at revitalizing the environment like the air clean up schemes and this runs across all locations. In Canada the focus is more about awareness, recycling and reuse of equipments and maintenance it's interesting to find that in Nigeria they focus more on oil cleanups. In this case we cannot directly draw a precise conclusion if this is directly affected by economic development because the HDI has no result for environmental footprint. The closest measurement scale is the sustainability still there is no measure recorded in both countries.

On the other hand linking empowerment activities the HDI measures the level of income rating Canada (35,369) higher than Nigeria (2,102) where we see the activities in Nigeria like Shell’s LimeWire and micro credit schemes with that of Chevron providing funds to aid small or medium enterprise and street lighting projects so we can draw conclusions that the economic development has a direct impact on the economic empowerment activities.
This research started with asking questions about CSR implementations in operational locations and its differences, and also asking how the level of economic development affects it. The result provided has shown that there are variations in CSR implementation with regards to operational location caused by the level of economic development. It is clear that the stakeholders’ needs are viewed in context. Shell and Chevron both are MNCs in the energy field that have high performance standards with a strong long-term CSR strategy for increasing their position in sustainability, also they are interested and invested in community needs by focusing on health, education, environment and economic development sectors in their operational locations. Furthermore; transparency, willingness to work with governments and communities are bases of their CSR strategy.

One cause for the differences which are present in implementations can be attributed to economic development. We saw this through the differences and similarities that occur in the organizations. Furthermore, Blowfield and Frynas (2005) mentioned that, there is a variation between social needs, due to the level of economic development, it is important that the organizations play a role in filling the gaps between business and development implying. It is essential for the organizations to work on challenges which the societies face. Additionally, the gaps has existed between interaction and communication within developing and developed countries, and arguing that MNCs can have varied implementation CSR strategy, while trying to move towards development by fulfilling their economic lack in the community where they operate.

As a consequence, by looking at the matrix of human needs, subsistence, understanding and protection, and also health, education and environment are all fundamental human needs, the Chevron and Shell try to include these fundamental human needs form the stakeholders’ perspective to their strategy and implement them properly.

As a result, we found that most businesses implement CSR and try to created interests for their stakeholders, but CSR is not philanthropy or aid, it’s a strategy for organizations to reach economic sustainability. So, the level of economic development plays an important role on implementation of CSR according to the particular needs of different locations.

8.1. Further Research

Through this research we tried to find out the implementation of CSR is different by organization due to its operational locations. We looked into this problem from organizational perspective (Chevron & Shell), but this issue is still new and there is a lack of research by scholars. Classification of our cases was according to the level of economic development and both companies have been chosen in oil and gas industry. It will be interesting for further research to compare more different locations and companies from other. Also it will be interesting and give more and new finding if we classifying our cases according to the other measurements. It is important to look and evaluate this issue from governmental perspective as well. Because during this study we found argumentation from governmental perspective, for example, Canada one of our cases in this study have governmental agreement or definition for CSR strategy and implementation but on the other hand there Nigeria does not has.
9. References


Healy, M., & Perry, C. (2000). Comprehensive criteria to judge validity and reliability of qualitative research within the realism paradigm. *Qualitative Market Research, 3*(3), 118-126


10. Appendixes

10.1. Appendix 1

Matrix of Human Needs and Satisfiers

<table>
<thead>
<tr>
<th>Fundamental Human Needs</th>
<th>Being Qualities</th>
<th>Having Things</th>
<th>Doing Actions</th>
<th>Interacting Settings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsistence</td>
<td>physical and mental health</td>
<td>food, shelter work</td>
<td>feed, clothe, rest, work</td>
<td>living environment, social setting</td>
</tr>
<tr>
<td>Protection</td>
<td>care, adaptability autonomy</td>
<td>social security, health systems, work</td>
<td>co-operate, plan, take care of, help</td>
<td>social environment, dwelling</td>
</tr>
<tr>
<td>Affection</td>
<td>respect, sense of humour, generosity, sensuality</td>
<td>friendships, family, relationships with nature</td>
<td>share, take care of, make love, express emotions</td>
<td>privacy, intimate spaces of togetherness</td>
</tr>
<tr>
<td>Understanding</td>
<td>critical capacity, curiosity, intuition</td>
<td>literature, teachers, policies educational</td>
<td>analyse, study, meditate investigate,</td>
<td>schools, families, universities, communities,</td>
</tr>
<tr>
<td>Participation</td>
<td>receptiveness, dedication, sense of humour</td>
<td>responsibilities, duties, work, rights</td>
<td>cooperate, dissent, express opinions</td>
<td>associations, parties, churches, neighbourhoods</td>
</tr>
<tr>
<td>Leisure</td>
<td>imagination, tranquillity spontaneity</td>
<td>games, parties, peace of mind</td>
<td>day-dream, remember, relax, have fun</td>
<td>landscapes, intimate spaces, places to be alone</td>
</tr>
<tr>
<td>Creation</td>
<td>imagination, boldness, inventiveness, curiosity</td>
<td>abilities, skills, work, techniques</td>
<td>invent, build, design, work, compose, interpret</td>
<td>spaces for expression, workshops, audiences</td>
</tr>
<tr>
<td>Identity</td>
<td>sense of belonging, self-esteem, consistency</td>
<td>language, religions, work, customs, values, norms</td>
<td>get to know oneself, grow, commit oneself</td>
<td>places one belongs to, everyday settings</td>
</tr>
<tr>
<td>Freedom</td>
<td>autonomy, passion, self-esteem, open-mindedness</td>
<td>equal rights</td>
<td>dissent, choose, run risks, develop awareness</td>
<td>anywhere</td>
</tr>
</tbody>
</table>
## Human Development Index Indicators

<table>
<thead>
<tr>
<th>Nigeria Index 0.471 Rank 153</th>
<th>Canada Index 0.911 Rank 11</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health</strong></td>
<td><strong>Health</strong></td>
</tr>
<tr>
<td>Life expectancy at birth (years) 52.3</td>
<td>Life expectancy at birth (years) 81.1</td>
</tr>
<tr>
<td>Expenditure on health, public-Under-five mortality (per 1,000 live births). N.A</td>
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</tr>
<tr>
<td><strong>Education</strong></td>
<td><strong>Education</strong></td>
</tr>
<tr>
<td>Mean years of schooling (of adults) (years) 5.2</td>
<td>Mean years of schooling (of adults) (years) 12.3</td>
</tr>
<tr>
<td>Public expenditure on education (% of GDP) (%) n.a.</td>
<td>Public expenditure on education (% of GDP) (%) n.a.</td>
</tr>
<tr>
<td>Primary school teachers trained to teach (%) n.a.</td>
<td>Primary school teachers trained to teach (%) n.a.</td>
</tr>
<tr>
<td>Primary school dropout rates (% of primary school cohort) n.a.</td>
<td>Primary school dropout rates (% of primary school cohort) n.a.</td>
</tr>
<tr>
<td>Expected Years of Schooling (of children) (years) 9</td>
<td>Expected Years of Schooling (of children) (years) 15.1</td>
</tr>
<tr>
<td>Adult literacy rate, both sexes (% aged 15 and above) n.a.</td>
<td>Adult literacy rate, both sexes (% aged 15 and above) n.a.</td>
</tr>
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<td>Mean years of schooling (of adults) (years) 5.2</td>
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</tr>
<tr>
<td>Education index 0.457</td>
<td>Education index 0.908</td>
</tr>
<tr>
<td>Combined gross enrolment in education (both sexes) (%)n.a.</td>
<td>Combined gross enrolment in education (both sexes) (%) n.a.</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td><strong>Income</strong></td>
</tr>
<tr>
<td>GNI per capita in PPP terms (constant 2005 international $) (Constant 2005 international $) 2,102</td>
<td>GNI per capita in PPP terms (constant 2005 international $) (Constant 2005 international $) 35,369</td>
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<tr>
<td><strong>Inequality</strong></td>
<td><strong>Inequality</strong></td>
</tr>
<tr>
<td>Inequality-adjusted HDI value 0.276</td>
<td>Inequality-adjusted HDI value 0.832</td>
</tr>
<tr>
<td>Loss due to inequality in life expectancy (%) 43.8</td>
<td>Loss due to inequality in life expectancy (%) 5</td>
</tr>
<tr>
<td>Loss due to inequality in education (%) n.a.</td>
<td>Loss due to inequality in education (%) n.a.</td>
</tr>
<tr>
<td>Loss due to inequality in income (%) 34.5</td>
<td>Loss due to inequality in income (%) 17.1</td>
</tr>
<tr>
<td>Inequality-adjusted education index 0.25</td>
<td>Inequality-adjusted education index 0.879</td>
</tr>
<tr>
<td>Inequality-adjusted life expectancy index 0.286</td>
<td>Inequality-adjusted life expectancy index 0.913</td>
</tr>
<tr>
<td>Inequality-adjusted income index 0.295</td>
<td>Inequality-adjusted income index 0.718</td>
</tr>
<tr>
<td>Inequality-adjusted HDI value 0.276</td>
<td>Inequality-adjusted HDI value 0.832</td>
</tr>
<tr>
<td><strong>Poverty</strong></td>
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</tr>
<tr>
<td>MPI: Multidimensional poverty index (%) 0.31</td>
<td>MPI: Multidimensional poverty index (%) n.a.</td>
</tr>
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<td>MPI: Multidimensional poverty index (%) 0.31</td>
<td>MPI: Multidimensional poverty index (%) n.a.</td>
</tr>
<tr>
<td>MPI: Intensity of deprivation 57.3</td>
<td>MPI: Intensity of deprivation n.a.</td>
</tr>
<tr>
<td>MPI: Headcount, percentage of population in multidimensional poverty (% of population) 54.1</td>
<td>MPI: Headcount, percentage of population in multidimensional poverty (% of population) n.a.</td>
</tr>
<tr>
<td>MPI: Population living below $1.25 PPP per day (%) n.a.</td>
<td>MPI: Population living below $1.25 PPP per day (%) n.a.</td>
</tr>
<tr>
<td><strong>MPI:</strong> Population living below $1.25 PPP per day (%) 68</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>

### Gender

<table>
<thead>
<tr>
<th>GII: Gender Inequality Index, value n.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population with at least secondary education, female/male ratio (Ratio of female to male rates) n.a.</td>
</tr>
<tr>
<td>Adolescent fertility rate (women aged 15-19 years) (births per 1,000 women aged 15-19) n.a.</td>
</tr>
<tr>
<td>Labour force participation rate, female-male ratio (Ratio of female to male shares). n.a.</td>
</tr>
<tr>
<td>GII: Gender Inequality Index, value n.a.</td>
</tr>
<tr>
<td>Shares in parliament, female-male ratio 0.072</td>
</tr>
<tr>
<td>Maternal mortality ratio (deaths of women per 100,000 live births) n.a.</td>
</tr>
</tbody>
</table>

### Sustainability

<table>
<thead>
<tr>
<th>Carbon dioxide emissions per capita (tonnes) n.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon dioxide emissions per capita (tonnes) n.a.</td>
</tr>
<tr>
<td>Population living on degraded land (%) n.a.</td>
</tr>
<tr>
<td>Change in forest area, 1990/2010 (%) n.a.</td>
</tr>
</tbody>
</table>

### Demography

<table>
<thead>
<tr>
<th>Population, total both sexes (thousands) n.a.</th>
</tr>
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<tbody>
<tr>
<td>Population, total both sexes (thousands) n.a.</td>
</tr>
<tr>
<td>Population, urban (%) (% of population) 50.3</td>
</tr>
<tr>
<td>Population, female (thousands) 82,231.14</td>
</tr>
<tr>
<td>Population, male (thousands) 84,398.25</td>
</tr>
</tbody>
</table>

### Composite Indices

<table>
<thead>
<tr>
<th>Non-income HDI value 0.482</th>
</tr>
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</table>

### Innovation and Technology

<table>
<thead>
<tr>
<th>Fixed and mobile telephone subscribers per 100 people (per100 people) n.a.</th>
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</table>

### Trade, Economy and Income

<table>
<thead>
<tr>
<th>Income index 0.45</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP per capita (2005 PPP $) n.a.</td>
</tr>
<tr>
<td>Income index 0.45</td>
</tr>
<tr>
<td>Income index 0.866</td>
</tr>
<tr>
<td>GDP per capita (2005 PPP $) n.a.</td>
</tr>
<tr>
<td>Income index 0.866</td>
</tr>
</tbody>
</table>