A MODEL FOR CORPORATE SOCIAL RESPONSIBILITY PRACTICES OF CONSTRUCTION AND REAL ESTATE DEVELOPMENT COMPANIES IN DEVELOPING COUNTRIES

by

Ahmed Nabil Abdel-Salam

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ABSTRACT

Author: Abdel-Salam, Ahmed, Nabil. PhD  
Institution: Purdue University  
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Major Professor: Amr Kandil

Corporate Social Responsibility (CSR) highly contributes in the community development which is based on the principles of fairness, equality, social justice, antidiscrimination, accountability, participation, and continuous learning with core emphasis on educating, enabling, and empowering community members. It does not only participate in developing the community, but it has been proven during the past decades that CSR is a valuable factor that contributes to the business sustainable development as well. Companies involved in the Construction Industry are serving several stakeholders internally and externally. In this dissertation, CSR towards two stakeholders (internally; employees and externally; community) will be studied to determine the mutual impact on the company and the community.

The main objective of this research is to develop guidelines for implementing internal and external CSR practices for construction and Real Estate (RE) development companies in developing countries. Several theories are applied in addition to utilizing econometrics tools in developing an internal corporate social responsibility model and external corporate social responsibility protocol. Quantitative and qualitative data collection methods were conducted with three well known construction and RE development companies in the Middle East for one hundred and twenty eight construction engineers, taking into consideration the companies’ characteristics such as; running several construction projects, well-established performance management system, etc. The data collection methods included; case study interviews, numerical reports for financial investments, quantitative and qualitative questionnaires, analytical reports, etc. The data was analyzed using exploratory tests and statistical analysis methods to select the efficient modeling techniques and methods.
A protocol has been developed for external CSR practices towards the community applying the program theory and the power theory following McLaughlin logic model. On the other hand, a linear regression model was developed using ordinary least squares method to model the correlation between different internal CSR practices and its impact on the engineers’ productivity. Moreover, a weighted system has been developed for internal CSR practices applying the pairwise method to identify the relative importance of different internal CSR practices from the construction engineers’ point of view and to obtain a corporate social performance score for each company. Finally, the model and protocol were validated through the exit-interview consultation method, and applications were implemented on a fourth construction and RE development company with similar characteristics and within the same ecosystem. The applications included a sample of a construction engineer aiming to increase his productivity through applying the linear regression model. Also, a hypothetical external CSR campaign was developed following the protocol using McLaughlin logic model.

The study concluded that; large construction and RE development companies in developing countries adopt CSR strategies while lacking the CSR knowledge and codes to be followed, in addition to the lack of CSR models to follow in the construction sector. On the other hand, trainings; career development programs; and competitive salaries have high significance on the engineers’ productivity, while safety and health strategies have low importance from the engineers’ point of view.