

Study of social responsibilities of Hubei seed enterprises

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ABSTRACT: The aim of this study is to analyze the current development situation of social responsibilities of Hubei seed enterprises in accordance with the specific features of them. Furthermore, it will also propose countermeasures and suggestions to improve the social responsibility level of Hubei seed enterprises. This study mainly applied document research method and questionnaire survey approach as the means to analyze the reason why there's lack of social responsibilities among seed enterprises in Hubei. It also reached conclusions about how to improve the social responsibility level of Hubei seed enterprises from four aspects: enterprise, laws & regulations, social supervision, and government guidance & supervision, so as to provide theoretical reference for better development of Hubei seed industry.

Keywords: Hubei; seed enterprises; enterprise social responsibilities

1 INTRODUCTION

With global economic integration and further deepening of China's reform and opening-up, all walks of life have recognized the awareness of social responsibility. Our enterprises have started practice of enterprise social responsibility under the guidance of related theories. The whole world is also paying more and more attention to the social responsibility problem in our country. As an inland province, Hubei is in a beginning phase of social responsibility practice. The awareness of fulfilling social responsibilities is weak among enterprises in Hubei and is even worse in seed industry which is related to national welfare and the people's livelihood. Seed is the material carrier of large-scale development in Hubei agriculture. The key factor of agricultural volume increase lies in seed which has been fully proved by agricultural practice overseas and at home. The specialty and importance of seed industry have decided the difference between seed industry and others. The quantity and quality provided by seed industry can affect the basic needs for dining and dressing of people in Hubei and even in the whole country to a great extent. The fulfillment of social responsibilities from seed enterprises is of prime importance for the steady and healthy development of Hubei economy.

2 OVERALL SITUATION OF SOCIAL RESPONSIBILITIES OF HUBEI SEED ENTERPRISES

By arranging and reviewing related documents and news events, this study found that there's lack of social responsibilities among Hubei seed enterprises at present. The motivation for enterprises to fulfill social responsibilities is not strong enough. In order to further understand the reasons for lack of social responsibilities among seed enterprises, this study did research on social responsibilities of seed enterprises by empirical methods. It conducted survey on social responsibilities of seed enterprise managers in Hubei. There were 180 survey questionnaires in total with 160 effective questionnaires received. In the following part, brief discussion and conclusions will be provided in combination with the questionnaire data about overall situation of social responsibilities of Hubei seed enterprises.

2.1 *Hubei seed enterprise managers' awareness of social responsibility fulfillment*

It can be seen from the survey results about Hubei seed enterprise managers' awareness of social responsibilities that there's certain narrow limitation existing in some seed enterprise managers' awareness of specific content of social responsibilities.

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Table 1. Hubei seed enterprise managers' awareness of social responsibility fulfillment

Questionnaire option	Population of those who acknowledge	Proportion
Guarantee enterprise profit	93	58.1%
Effective allocation of enterprise resources	78	48.8%
Support public welfare establishments	83	51.9%
Be responsible for communities	22	13.8%
Pay taxes according to law	151	94.4%
Social donation	51	31.9%
Abide by codes of practice	133	83.1%
Honest operation	147	91.9%
Conserve energy and reduce emission	70	43.8%
Reduce pollution	106	66.3%
Employment security	83	51.9%

It can be seen from Table 1 that most seed enterprise managers can realize “guarantee enterprise profit”, “pay taxes according to law”, “abide by codes of practice”, “honest operation” and “reduce pollution” are social responsibilities of seed enterprises. However, the proportions of managers who can acknowledge “social donation”, “conserve energy and reduce emission”, and “be responsible for community” are all lower than 40% while the proportion of those who acknowledge “employment security” as part of enterprise social responsibilities is only 51.9%. As a result, there’s certain narrow limitation existing in the awareness of the social responsibilities of Hubei seed enterprises.

2.2 Hubei seed enterprise manager's awareness of social responsibility objects

From the survey results of Hubei seed enterprise managers' awareness of social responsibility objects, it can be seen that seed enterprise managers' awareness of enterprise social responsibility objects is not comprehensive.

Table 2. Hubei seed enterprise managers' awareness of social responsibility objects

Questionnaire option	Population of those who acknowledge	Proportion
Employee	128	80.0%
Manager	98	61.3%
Investor	96	60.0%
Manufacturer	67	41.9%
Creditor	48	30.0%
Seed user	99	61.9%
Competitor	6	3.8%
Government	87	54.4%
Community where enterprise stands	6	3.8%
Media	20	12.5%
Natural environment	32	20.0%
Dealer	98	61.3%

It can be seen from Table 2 that there are significant differences in Hubei seed enterprise manager's

awareness of enterprise social responsibilities. They hold high acknowledgement in employee, manager, dealer, and seed user; however, the proportions of managers who acknowledge “competitor”, “community where enterprise stands” and “media” are all lower than 15%. As a result, seed enterprise managers' awareness of social responsibility objects is not comprehensive and needs further enhancement.

2.3 Survey on external influencing factors affecting Hubei seed enterprises' fulfillment of social responsibilities

A survey was conducted on the external influencing factors which affect Hubei seed enterprises' fulfillment of social responsibilities. See Table 3 for the results:

Table 3. Survey on external influencing factors affecting Hubei seed enterprises' fulfillment of social responsibilities

Influence of social responsibilities	Population of those who acknowledge	Proportion
Examination and evaluation methods for government officials	25	15.6%
Local law enforcement officer's enforcement capacity	119	74.4%
Comprehensiveness of local laws and regulations	50	31.3%
Improved social responsibility evaluation system	67	41.9%
Influence of NGO on enterprises	59	36.9%
Personnel or institutions exclusive for examination and evaluation on enterprise social responsibilities	76	47.5%
Importance degree of enterprise social responsibility behaviors in examination and evaluation system	32	20.0%

It can be seen from Table 3 that “local law enforcement officer's enforcement capacity” is the option that has the highest acknowledgement degree in Hubei seed enterprises' social responsibilities, followed by “personnel or institutions exclusive for examination and evaluation on enterprise social responsibilities”. These data can show that external constraint plays an important role in supervision on seed enterprises' fulfillment of social responsibilities.

3 ANALYSIS ON THE REASONS FOR LACK OF SOCIAL RESPONSIBILITIES AMONG SEED ENTERPRISES

From analysis on related documents and field survey, it can be seen that there's certain awareness of social responsibilities among seed enterprises in Hubei. However, there's still lack of social responsibilities. In this study, the influencing factors for why there's lack of social responsibilities among seed enterprises are divided into external factors and internal factors.

3.1 *Analysis on external influencing factors*

3.1.1 *Government supervision is not strict enough*

At present, there's no legal document used to standardize enterprise social responsibilities in our country, although there are related regulations which mainly exist in fragmentary records of some legal provisions. For example, there're descriptions about enterprise social responsibilities in our Labor Law, Company Law, and Social Security Act. However, some enterprises fail to follow related laws and regulations so as to pursue profit in most cases, resulting in lack of enterprise social responsibilities. The occurrence of this phenomenon is closely related to the lack of government supervision and powerful law enforcement.

As the most direct supervision institution for seed enterprises, government shall enhance its supervision on seed enterprises which are related to national welfare and the people's livelihood. Nevertheless, governmental administrative departments tend to pay more attention to financial income than providing strong supervision and punishment on enterprises' behavior with responsibility defect. This is one of the important reasons for why there's lack of social responsibilities among seed enterprises in Hubei.

3.1.2 *Lack of effective supervision and evaluation system*

Besides relying on their own effort to fulfilling social responsibilities, seed enterprises also need a system of external supervision and evaluation. A complete and effective system of external supervision and evaluation is not only good for seed enterprises themselves to actively fulfill social responsibilities; but is also beneficial to providing corresponding theoretical proof for the government to implement supervision and evaluation on social responsibilities of seed enterprises.

Currently, enterprises in Hubei have conducted little practice of social responsibilities. Moreover, the evaluation system for social responsibilities is not complete. In seed industry, the situation is even worse. Hubei is a major agricultural province of which seed enterprises are in close relation with the people's livelihood in Hubei and even in the whole country. Lack of social responsibilities has led enterprises to pursue short-term economic benefit while sacrificing long-term benefit of the whole province. It is bad for the long-term stable and healthy development of Hubei economy.

3.2 *Analysis on internal influencing factors*

3.2.1 *Seed enterprises' awareness of social responsibilities is vague*

As a major agricultural province, Hubei has numerous seed enterprises. However, there are very few enterprises which can truly understand the connotation of

social responsibilities that modern enterprise should bear and take effective actions. Quite a part of seed enterprise managers only have one-sided understanding of seed enterprise social responsibilities. From the survey results obtained in this study, it can be seen that many seed enterprise managers haven't realized the importance of social responsibility fulfillment in sustainable development of seed enterprises. They simply regard enterprise social responsibility fulfillment as donation and public interest activities. There's certain limitation existing in some seed enterprise managers' awareness of the objects and the content of enterprise social responsibilities. Some of them even think community and natural environment do not belong to the range of social responsibility object. Besides, they fail to understand it is important to regard employees as part of social responsibility objects. All these phenomena can reflect that seed enterprises are not paying enough attention to integrate social responsibility awareness and related practice into enterprise strategy. Due to the specialty and importance of seed industry, especially in a major agricultural province, seed enterprises should be urged to fulfill their social responsibilities.

3.2.2 *Lack of sustainable development concept among seed enterprises*

According to market survey and related media reports, we can see that it is common to find unqualified seeds and selling seconds at best quality prices among Hubei seed enterprises currently. These seed enterprises haven't established the concept of sustainable development. For a long time, seed industry was mainly operated under the guidance of national planned economy. Enterprises only needed to produce according to requirements from the government. Seed sales were mainly done through seed stations built by the government. Due to this production mechanism, seed enterprises were lack of marketing sense of modern market. With the transition from planned economy to market economy in our country, management philosophy of seed enterprises has not been transformed accordingly. Many seed enterprises still fail to understand sustainable development and social holism concept. Their pursue of short-term economic benefit has led to shortage in facilities corresponding to safe production and the occurrence of irresponsible conducts such as selling seconds at best quality prices.

3.2.3 *Seed enterprises are small in scale*

Through about a decade of marketization, seed industry in Hubei has achieved great development. Numerous seed market subjects are competing with each other. However, compared with the seed markets in development countries such as U.S. and U.K., the seed market in Hubei is suffering from overwhelmed market subjects with low competitiveness due to the short history of industrial marketization. Seed industry in Hubei is over dispersed while most companies are

small in scale with low market competitiveness. Currently, how to survive is the question that seed enterprises concern the most. They pay much less attention to social responsibility fulfillment which is related to enterprise development strategy.

4 COUNTERMEASURES AND SUGGESTIONS

This study suggests enhancing the social responsibility level of seed enterprises in Hubei from the following aspects:

First, enterprises, especially senior managers, should establish the concept of fulfilling social responsibilities. Strategies of social responsibilities need to be established while enterprise social responsibility strategy shall be integrated into overall enterprise strategy. Seed industry market in Hubei has only begun for about a decade. The seed industry is dispersed with low concentration ratio. Most seed companies are small in scale with little market competitiveness. Therefore, these middle-and-small-scale seed enterprises pay little attention to enterprise social responsibilities. No matter it is market scale, competitiveness, or awareness of social responsibilities, there's great gap between local seed corporations and multinational ones. Seed enterprises in Hubei should fully understand that sustainable enterprise development cannot live without the fulfillment of social responsibilities. Hence, they should integrate social responsibilities into enterprise strategy.

Second, laws and regulations related to seed industry shall be improved. In order to better standardize seed industry development, China has issued some laws and regulations, including Administrative Measures for Permit of Crop Seed Production and Management, Interim Procedures for Management of Crop Seed Import and Export, and Seed Law of the People's Republic of China. All these laws have standardized management behaviors of seed enterprises to a certain extent. However, no laws or regulations related to farmer's rights protection or seed labeling has been issued in domestic seed industry. Our country needs to improve related laws and regulations as soon as possible, so as to provide legal proof and guarantee for the healthy development of the seed industry in Hubei and even all over the country.

Third, to analyze from social perspective, supervision on social responsibilities need to be fulfilled by Hubei seed industry shall be enhanced, so as to better promote Hubei seed enterprises to actively fulfill their social responsibilities. Besides enhancement on laws, regulations, and government enforcement, social subjects such as social responsibility research institutions, media, and industrial associations shall also be included to guarantee the rapid and positive development of social responsibilities born by Hubei seed enterprises.

Finally, government shall actively manifest its

function on industrial guidance and supervision for seed industry. The history of market-oriented reform in Hubei seed industry is only about ten years, and there still exist some problems in its development. For examples, seed industry is too dispersed with low concentration ratio; enterprise personnel's quality is low; further improvement needs to be accomplished in seed structure; most corporations are small in scale; and there's little market competitiveness. As important interest-related subjects of seed industry, government shall enhance its supervision on seed market which is not mature enough and implement strict enforcement of law on any unlawful act conducted by seed enterprises. Moreover, it shall also create beneficial conditions for development of seed industry, so as to boost healthy development of seed market.

5 CONCLUSIONS

In order to understand the current situation of social responsibilities of Hubei seed enterprises, this study did survey on the social responsibilities of seed enterprise managers in Hubei. The survey was in three main parts: Hubei seed enterprise managers' awareness of social responsibilities, Hubei seed enterprise managers' awareness of social responsibility objects, and survey on the external influencing factors affecting Hubei seed enterprises' fulfillment of social responsibilities. The survey results can show the following conclusions: seed enterprises in Hubei have begun to form certain concept about social responsibilities. However, there still exists lack of social responsibilities. The external influencing factors causing the lack of social responsibilities in Hubei seed enterprises are: government supervision is not strict enough and there's lack of effective supervision and evaluation system. The internal influencing factors are: seed enterprises' awareness of social responsibilities is vague; there's lack of sustainable development concept among seed enterprises; and seed enterprises are small in scale. At last, this study proposed suggestion about how to improve the social responsibility level of seed enterprises in Hubei from four perspectives: enterprise, laws & regulations, social supervision, and government guidance & supervision.

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