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The Principles of Agribusiness Social Responsibility From Farmer's Point of View: Lithuanian Case

Abstract: The phenomena of corporate social responsibility (CSR) had been widely discussed from different scientific and practical perspectives worldwide for almost a century. In its initial phase, the main focus was the demand for social responsibilities from businesses in general. Recently, all sectors and all spheres of human activity consider the importance and use of social responsibility, including agribusiness. This study aims to elucidate the importance of the principles of agribusiness social responsibility from a farmer's point of view. The guiding question of the research is whether a farmer's gender, next to the other background characteristics (age, generation, education, etc.), is among the factors that shape the way farmers understand the importance of the principles of agribusiness social responsibility. The research results, based on representative survey data of Lithuanian farmers (N=1108), propose that gender might be considered among the factors that shape farmers' understanding of the principles of agribusiness social responsibility and this makes a promising background for further research.

Keywords: corporate social responsibility (CSR), agribusiness, farmer, gender

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82 Introduction and Theoretical Background

Modern networked society increasingly takes a more active role in ongoing transformations worldwide in all sectors and spheres of human activity. Different stakeholders in society are dealing with numerous organized groups that arise from seemingly nowhere with a particular set of requirements to make social change. In a globalized world, quickly moving information flows and increased physical mobility of people formed a new society with increased demand for a better life which cannot be emphasized without greater social responsibility of every actor in it. This cannot be minded out, since modern society holds very powerful tools, such as media and the internet, to fight for justice, values, and believes.

Although CSR practice increasingly addresses gender issues, and gender and CSR scholarship is expanding, feminist theory is quite rarely explicitly referenced to or discussed in the CSR literature (Grosser et al., 2017; Grosser & Moon, 2019). CSR paradigm was taken into a particular debate from a gender perspective, examined in relation with CSR reporting (Grosser & Moon, 2005; 2008; Nekhili et al., 2017; Cabeza García et al., 2018), 'gendered organizations' and stakeholder relations (Grosser 2016: McCarthy, 2018), socially responsible decision-making (Tao et al., 2018; Oh et al., 2019) and corporate philanthropy (von Schnurbein, 2016; Mellahi & Rettab, 2019, etc.). In stating the multidimensional nature of CSR, in 2011 the European Commission had also addressed gender issues, as one of the actual labour and employment practices, in which visibility and dissemination of good practices should be enhanced. The United Nations declared achieving gender equality and empowerment of all women and girls as one of the 17 sustainable development goals (SDGs) that are necessary to achieve a better future to combat contemporary global challenges. However, does the declaration mean that gender equality and empowerment goals have been achieved in a socially responsible way? Solid critique has already been addressed to the EU and other parts of the world (Jacquot, 2017; Fuentes & Cookson, 2020).

Actors of rural areas, even in the most distant regions, start facing similar challenges as those in crowded cities due to the call from society for greater social responsibility. Only set of stakeholders insignificantly vary in the countryside compared to cities when calling for social change, however, the general body consists of various actions to live better in a socially responsible way (Chang et al., 2016; Grosser et al., 2017; Peake et al., 2017; McCarthy, 2018; Uduji et al., 2019).

Lately farmers in rural areas, even in young EU countries, are more frequently requested to mind the principles of social responsibility from the general public. Scientific literature proposes that this signalizes the shift from the industrial to a post-industrial stage of development, highly shaped by modern knowledge and information, equipped with powerful tools.

However, any scientific evidence to disclose gender as a factor that makes an influence on farmer's choice to act in a socially responsible way had not been provided yet.

The main aim of this research is to find out, whether gender matters in farmer's understanding of the principles of agribusiness social responsibility.

Research methodology

The key guiding research question of this study is whether a farmer's gender, next to the other background characteristics (age, generation, education, or other), is among the factors that shape the way farmers understand the principles of agribusiness' social responsibility?

Scientific literature analysis and generalization, survey, interview, and descriptive statistical analysis methods were applied. The research instrument was composed using key categories from Guidance on Social Responsibility 26000:2010, namely:

- organizational governance (farm management, decision-making),
- fair operating practices,
- · labour practices,
- · human rights,
- · community,
- · consumer issues,
- environment and environmental protection,
- farmer's understanding of the principles of social responsibility.

Special focus in this article is given to farmer's understanding of the principles of social responsibility concerning gender, since they explore the key idea of this presentation and disclose the key trends, answering the question: does gender matter in agribusiness social responsibility?

Likert scale was used to code farmers' understanding of the principles of agribusiness social responsibility. Farmers were provided with 13 formulated principles of agribusiness social responsibility (see Figure 1).

- Respect for the rule of law.
- Acting in higher behaviour norms than common in the region.
- Ethical behaviour with all stakeholders, without any prejudice to the generally accepted moral norms.
- Environmental protection compliance.
- Sustainable farm development to save the environment for future generations.
- Eco-friendly, healthy, and natural production.
- Respect for stakeholder expectations and consideration of them in making farm decisions.
- Transparent operating practices.
- Profitable organization of activities.
- Paying equitable remuneration for the work done.
- Taking responsibility for the impacts of farm activities.
- Farm profits or production awarded for charity.
- Contribution to the local community and/or public welfare initiatives

Figure 1. The Principles of Agribusiness Social Responsibility Source: adapted by authors according to the Guidance on Social Responsibility 26000:2010.

During the structured telephone interviews, farmers were asked to evaluate every principle using a seven-point Likert scale (1 – absolutely unrelated, 2 – hardly related, 3 – almost unrelated, 4 – neutral, 5 – slightly related, 6 – related, but not compulsory, 7 – compulsory) on how they think these principles correspond to agribusiness social responsibility.

Collected data meet all statistically required validity and reliability criteria (Schwarze, 1993). The population of Lithuanian farmers equals N=138.9 thousand (Agriculture..., 2018). Calculated representative population under statistical conditions of 5 percent error ($\varepsilon=0.05$) and 95 percent (p=0.5) confidence level is n=1059 (Schwarze, 1993). Respondents were selected using systemic sampling of research subcontractors' database. Data were collected in 1108 Lithuanian farms by telephone interviews in autumn of 2019 (n=1108); The study involved 42.3 percent of females (n1=469) and 57.7 percent of males (n2=639).

Telephone interviews were made with representatives of Lithuanian farms, which have a leadership position in their farms, i.e. farm owners. The interviewed Lithuanian farmers statistically represent the county-specific structure of Lithuanian farms, including all the municipalities of the country, different natural areas. They reflect various farming conditions and the corresponding characteristics of farmers and farms: the gender, age, education of the farmer, the size of the farm, duration of farming activity, and type of farming (Agriculture..., 2018).

Less than half of the surveyed farmers (40.2 percent) have a farm of economic size (turnover in euros per month) up to 4 000 euros and, according to this criterion, falls into the smallest group of farms. 22.3 percent of respondents' farms have the turnover from 4 001 to 8 000 euros; 16.3 percent – from 8 001

to 15 000 euros, 8.8 percent – from 15 001 to 25 000 euros, 6.3 percent – from 25 001 to 50 000 euros. The smallest group of respondents consists of farms with the largest turnover. The turnover of the surveyed companies is as following: 3.4 percent – from 50 001 to 100 000 euros, 1.9 percent – from 100 001 to 250 000 euros and 0.8 percent – more than 250 001 euro. The majority of respondents (44.8 percent) are farmers whose farm size is up to 20 hectares (ha) as dominant by farm structure in Lithuania; 32.1 percent – from 20.1 to 50 ha; 13.7 percent – from 50.1 to 100 ha. The smallest part of the respondents, as specific to Lithuania, are farmers with farms of 100.1 to 500 ha (9.2 percent) and more than 500.1 ha (0.2 percent).

Results and Discussion

Research results were analyzed using the gender variable to disclose, whether gender matters in Lithuanian farmer's understanding of the principles of agribusiness social responsibility (see Fig. 2 and Fig. 3).

Aggregated survey data helped reveal, that gender does make an influence on the prioritization of the principles of social responsibility by distinguishing them from compulsory to absolutely unrelated to agribusiness social responsibility.

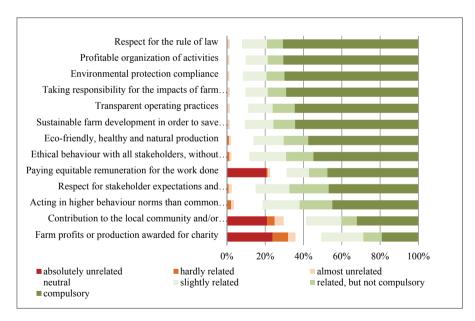


Figure 2. Female farmers' understanding of agribusiness social responsibility (n=1108, female n1=469)

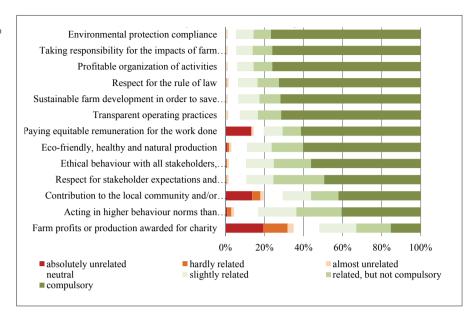


Figure 3. Male farmers' understanding of agribusiness social responsibility (n=1108, male n2=639)

Hence, the top 6 most important principles of social responsibility (marked by green colour in Fig. 2; measured as compulsory, related and slightly related to agribusiness social responsibility), selected by female and male Lithuanian agribusiness representatives, vary only in positions, but not in the list composition (see top 6 positions in Figure 2 and 3). Female farmers placed the respect to the rule of law in the first place among the most important compulsory principles of agribusiness social responsibility, whereas male farmers listed it in the 4th place, giving the priority to compliance with environmental protection (females gave the 3rd place to this principle). Profitable organization of the activities' principle was put in the 2nd place by female farmers, whereas male farmers put the importance of this principle very close to this, but a bit lower – the 3rd place. Taking responsibility for the impact of farm activities among the male farmers was mentioned in the 2nd place of importance, whereas female farmers put this principle in the 4th place. The 5th and 6th places are interchanging for male and female farmers and belong the principles of transparent operating practices (female -5^{th} position; male -6^{th} position) and sustainable farm development to save the environment for future generations (female -6^{th} position; male -5^{th} position).

The second part of the findings is important due to the elucidated Lithuanian farmer's position regarding the social responsibility principles, which are unrelated or least related to agribusiness social responsibility (marked by brown colour in Fig. 2). The biggest share of both female and male farmers unanimously stated that the farm's profits or production awarded to charity

is least related to agribusiness social responsibility (1st position from the bottom by both female and male farmers). The 2nd position from the bottom, devoted to the least related principles of agribusiness social responsibility, is a contribution to the local community and/or public welfare initiatives. And the 3rd position from the bottom regarding the least related principle to agribusiness social responsibility is paying equitable remuneration for the work done by females and males.

The remaining four principles in the middle, i.e. eco-friendly, healthy and natural production; ethical behaviour with all stakeholders; respect for stakeholder expectations and acting in higher behaviour norms than common in the region had been considered mostly as compulsory and related principles of agribusiness social responsibility both by female and male farmers in the same order from the 7th to the 10th position.

These features of research results demonstrate that gender might be considered as an insignificant factor, shaping Lithuanian farmers' understanding of the principles of social responsibility, since the difference among the perceptions distinguished by female and male farmers vary by only a few percent, however, the positioning list slightly differs. Relying on these results, it might be assumed that gender does play a role in farmers' understanding of the principles of agribusiness social responsibility.

Conclusions

Research results helped disclose that gender matters in farmers' understanding of the principles of agribusiness social responsibility. Despite the fact, that gender significance is not sound when taking into account the principles of agribusiness social responsibility, it makes difference in rating the importance of the particular principle of agribusiness social responsibility. Therefore, it is probably promising background for further research on how the perceived principles of agribusiness social responsibly are reflected in farm decision-making and overall management. Therefore, further in-depth aggregation of research results is necessary to disclose the particular agribusiness activity scenarios concerning the considered importance of principles of agribusiness social responsibility which might matter in terms of gender issues.

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