Corporate Social Responsibility and Mining Industry in Thailand

Nattavud Pimpa*, Timothy Moore**, Sheree Gregory*** and Brigitte Tenni****

Corporate social responsibility (CSR) can create value among stakeholders in both private and public sectors. In the international mining business, CSR concept plays an important role in enhancing relationships among various mining stakeholders. This paper reports on motivations and strategies of CSR by mining companies in Thailand. It argues that the CSR's value creation process in Thailand is complex and culturally bound. To understand motivation and types of CSR activities in the mining industry, the researchers used secondary data sources from two mining MNCs. Results show that, similar to CSR in many countries, CSR activities by mining MNCs in Thailand seem to focus on participatory actions, communitarian approach and the promotion of engagement among various stakeholders. The top CSR priorities by mining MNCs in this study include social development and economic promotions.

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1. Introduction

The concept of Corporate Social Responsibility (CSR) can be perceived in various ways such as corporate citizenship (Carroll, 1979), corporate social responsiveness (Strand, 1983), corporate social performance (Stevens, 1994), and stakeholder management (Wood and Jones, 1995). Of all these terms, they commonly refer to the responsibility that an organization has toward society. There is no one universal definition to what CSR is but a simple term to define CSR is generally an organization acting in an ethically and morally manner by doing the right thing by their surroundings.

Whilst CSR is significant for almost all multinational corporations (MNCs), regardless of country of origin, size and sector (Hopkins, 2003), the literature in CSR has been limited to large MNCs (Perrini, Russo and Tencati, 2007; Ragodoo, 2009). In a developing country such as Thailand, small and medium MNCs in various sectors contribute to economic and social development in many forms.

However, Blombäck and Wigren (2009) criticised academic researchers for their heavy inclination to follow the generic media which has published numerous stories based on its knowledge of large, listed and widely recognized MNCs. It can be argued that the CSR movement would advance if different types of MNCs actively participate in various activities in the host countries (Josep et al., 2007).

In most developing countries in South East Asia, such as Thailand, Vietnam, Laos, or Cambodia, CSR from MNCs is concerned with the integration of environment, social and economic considerations into business strategies and practices. However, this is not as simple as it sounds. Some argue that CSR is beneficial to MNCs that integrate it into their

*Nattavud Pimpa, School of Management, RMIT University (Email: nattavud.pimpa@rmit.edu.au)
**Timothy Moore, The Nossal Institute for Global Health, The University of Melbourne
***Sheree Gregory, School of Business, University of Western Sydney
****Brigitte Tenni, The Nossal Institute for Global Health, The University of Melbourne
Pimpa, Moore, Gregory and Tenni

everyday practices, others view that it’s just a way for MNCs to promote new product and features (Perrini, 2007).

The business cases for CSR seem to focus on a wide range of potential economic benefits. These include financial performance and profitability, reduce operating cost, long term financial gains for companies, employees’ welfare, increase staff commitment and involvement, enhanced capacity to innovate, good relations with government and communities, better risk and crisis management, enhance reputation and brand value and of course, the development of closer links with customers and greater awareness of their needs (Matten and Moon, 2008).

The subject of academic debate entails those critics who question the greater attention of the concept application of shareholders fund to the CSR community initiatives, without regard for the likely effect on business financial profits and organizations future opportunities for research, innovation and expansion. For instance, Kapstein (2001) reiterated the ideas of the neo-classic economist Milton Friedman (1962) that business only social responsibility is to use its resources to engage in activities designed to increase its profit, as long as it engage in open and free competition without deception or fraud. Friedman (1962) concept of business and societal relationship was strictly centred on the latter producing the needed goods and services at prices the former can afford. In his work, Friedman (1962) identified that a departure from this business role amounts to spending someone else money, and placing the firm at a competitive disadvantage. Friedman also questioned whether managers were competent to engage in social issues, and saw no reason this group of individuals should carry out the role of government in the society (Kapstein, 2001).

It is reported in studies by Matten and Moon (2008), and Cruz and Pedrozo (2009) that, when it comes to CSR, sustainable development is a prime goal for a number of MNCs operating globally. Questions have been raised about the effectiveness and ability of MNCs’ current CSR strategy in meeting the goal of sustainable development and poverty. According to the United Nations Development Program (2008), most developing nations are still struggling with key issues such as chronic poverty, poor health management, lack of basic education, resources management and unemployment. Poverty is well-linked to these fundamental problems. These points lead to motivation behind the study to explore the ways in which MNCs promote development with key international and national stakeholders. More importantly, our team also needs to understand ways to prioritize sustainability initiatives and activities in developing countries.

Empirical research on MNCs and their behaviour, however, has been limited particularly in developing and emerging economies. The focus is given to how and why MNCs engage in CSR, and if their CSR strategies in developing countries are aligned to their global commitment to sustainable development. More importantly, it is confirmed in a number of studies (for example, Pimpa, 2013) that good CSR practices can positively impact MNCs’ management process and lead to various managerial benefits that move beyond economic motivation for MNCs’ shareholders.

This paper aims to explore issues on the practices and motivations of CSR by mining MNCs in Thailand. In order to understand these two, research questions were set to frame the arguments and structure this paper.
Pimpa, Moore, Gregory and Tenni

1) What motivates mining MNCs in Thailand to engage in CSR activities?

2) What are the key CSR activities by mining MNCs in Thailand?

In order to explore and discuss both research questions, we construct this paper into four sections. The concept and overview of CSR in Thailand is presented in the first part of this paper. This section provides a discussion of key CSR literature from Thai and international perspectives. The following section focuses on research methodology, where we outline steps in conducting this research. In the findings section, we discuss key findings on (1) motivations for mining MNCs in Thailand to embark on CSR activities, and (2) key CSR activities and their potential impacts from the company’s perspectives. The final part of this paper presents a summary and conclusion of the research.

2. CSR in Thailand: An Overview

The concept of CSR is not new in Thai society (Pimpa, 2013). In fact, Thailand has long practiced a “patron-client culture” (in Thai ภักดีภักขา) in which the higher ranking members of society have to provide for the welfare of the lower ranking, while the lower ranking members give service, “respect and loyalty in return” (in Thai สินทิพย์) (Asian Development Bank, 2007). The practice of giving is a part of Thai culture and the Buddhist tradition of merit-making, which usually has been done through philanthropy, charity, sponsoring, volunteering and sharing (Rajanakorn, 2012). In Thai society, giving back to society is a common practice and it is strongly related to Buddhist philosophy (Pimpa, 2013).

However, when it comes to the relationship between CSR and Thai culture, research appears to be in its infancy with scarce data available to draw definitive conclusions (Mavro Jnr, 2010). As a hub for foreign direct investment in the region, Thailand attracts a high number of MNCs and consequently, exhibits higher penetration of CSR activities (Chapple and Moon, 2011). In a comparative study on CSR reporting in seven Asian countries, of the top 500 companies in Thailand, 42 per cent of companies reported on their CSR activities, with 24 per cent reporting minimally, 62 per cent providing medium coverage and 14 per cent extensively outlining its efforts. Community involvement was the favoured issue for discussion, mentioned by 71 per cent of Thai companies, while 19 per cent reported on production processes, and 10 per cent on employee relations (Pimpa, 2013).

The key question on CSR from MNCs and its relationship with traditional Thai culture remains unclear. There is a general reluctance to expand conceptualisations of CSR beyond philanthropy and community service to incorporate innovation and sustainable practices in Thailand (Udomkit, 2013; Pimpa, 2013). However, a number of concrete examples provide insight into how social responsibility is being appropriated by Thai companies to achieve more sustainable outcomes. It is far more likely that building a business case for CSR that reduces cost and delivers greater efficiency is the narrative around pursuing corporate sustainability.

A major concern among the observers of CSR in Thailand is on quality of CSR activities. A study by CSR centre at Asia Institute of Technology in 2011, showed that, when compared to other countries in the Pan-Asian nations, the CSR scores among MNCs from Thailand were fairly low, averaging only about 30 points. However, between 2008 and 2009, most of Thailand’s largest companies seem to have recognized the importance of disclosure on CSR issues. This suggests that companies operating in Thailand are
realizing that CSR is increasingly becoming an important element in their operations, and that a strategic approach to CSR can deliver business benefits.

Perceptions on CSR among business organizations in Thailand remain unclear in the eyes of researchers and practitioners in international business (Kraisornsuthasinee and Swierczek, 2006). There was no clear specific definition and scope of CSR among them, and even half of the companies were not familiar with the term CSR. They also found that almost all companies in this study were concerned with CSR, but just a few had specific policies on CSR (Rajanakorn, 2012).

To confirm this point, a report from Thaipat Institute and the Foundation for Thailand Rural Reconstruction Movement in 2009 raised an interesting point. It shows that, among 4,350 business organizations in Thailand, only 30.46 per cent agreed that they understand the concept of CSR. However, when further explained by different discourses and descriptions, over 60 per cent of respondents show better understanding of the concept of CSR. This may confirm that CSR is not quite a new concept in Thai corporate. However, it was labelled in different terms or actions.

In terms of the types of CSR activities practiced in Thailand, it has been reported that corporate philanthropy, employee volunteerism, and community service programs were the most prevailing forms of CSR programs (Prayukvong and Olsen, 2009).

Chapple and Moon (2005) reported that the main issues of CSR reporting among Thai companies’ web sites were education, training, environment and conservation, arts, and youth. Another study by Ratanajongkol, Davey and Low (2006) also confirmed that Thai companies in different industries placed emphasis on different themes in CSR disclosures. For instance, the manufacturing sector focused on the environmental theme, whereas the service and finance sectors concentrated on the human resource theme. A clear gap in the literature are the motivations behind those MNCs in Thailand to focus their CSR on these issues. Similar to previous global CSR studies (i.e. Chapple and Moon, 2005; Windsor, 2006; Meehan, Meehan and Richards, 2006), most Thai studies report old factors such as links with financial performance, relationship building and stakeholders engagement as potential key motivations. Most studies fail to incorporate socio-cultural factors into the contemporary analysis of MNCs in Thailand.

3. Research Methodology

In order to understand both research questions, the lead researcher collected secondary data from two major mining companies in Thailand. Both mining MNCs were selected due to their key contributions to economic and social development in the host country (Thailand). More importantly, CSR activities from both mining MNCs involve various local and international stakeholders in development. Due to their contributions to the local communities in Thailand, we decided to explore their CSR motivations and strategies.

Our research team understand that secondary data can play a substantial role in the exploratory phase of the research when the task at hand is to define the research problem and to generate hypotheses. The assembly and analysis of secondary data almost invariably improves the researchers’ understanding of the marketing problem, the various lines of inquiry that could or should be followed and the alternative courses of action which might be pursued (Green et al., 1993).
The methodology underpinning the secondary analysis was the grounded-theory method as explicated by Charmaz (2006). In this case, the lead researcher posed questions that are addressed through the analysis of a data set that they were not directly involved in collecting. The data was not collected to answer the researcher’s specific research questions and was instead collected for another purpose. The same data set, however, can be useful when it comes to broad issues such as approaches and steps in CSR activities by mining MNCs in Thailand.

Secondary data for this study include: (1) annual reports, (2) sustainability report, (3) media release, and (4) corporate websites. We also included research papers published in academic journals such as Business and Society, Social Responsibility Journal and Academy of Management Journal.

In terms of data analysis, the data were extracted, according to themes on CSR (motivations and approaches, types and nature). The data were analysed using a comparative, thematic approach focusing on the detection of themes. In particular, we focus on 'motivation discourse' from secondary data in order to answer question one of this research.

After the analysis of each theme, a between-study data analysis was performed in order to understand CSR activities from each organization. It involves comparing and contrasting information from two or more literature sources (both industrial and academic sources). Although the most common data to compare in this study is the corporate reports and empirical research studies, multiple components of a work were compared with multiple components from other works. This is to ensure the quality of secondary data analysis.

4. Findings

4.1 Management of Relationship with Mining Stakeholders

Based on the secondary data analysis, our team understand complex CSR issues from both companies. The first theme that emerges from the data is relationship. Relationship with mining stakeholders itself can be complex for both mining MNCs in this study. Both MNCs regard relationship as one of the core values in Thai society. They stated a number of relationship issues when they identified CSR plans, strategies, and activities. They also mentioned type and nature of relationship with various stakeholders in the Thai mining industry. Both mining MNCs are aware of this issue and state that:

“It is estimated that over Baht 1 billion (approximately US$28 million of mine operating since 2001 has been sourced from within the community. It is important for our company to play a part in CSR in order to maintain a strong relationship with the local community.” (Company A)

“As responsible corporate citizens, we believe that we can be constructive partners and help to improve the quality of life in local communities. We will achieve this by listening, engaging and respecting stakeholders and the public.” (Company B)

From both statements, we realize that, like many countries in the World, CSR in Thailand can be used as a business strategy to foster relationship among mining MNCs, the community, Government, and other various stakeholders. As relationship can be different in nature and approaches with different stakeholders, mining MNCs in this study consider...
different ways to manage relationships with different groups of stakeholders. This point will be further discussed in the next section when we discuss the types and nature of CSR activities in Thailand.

Relationship (and the concept of ‘relationship’) is important in this circumstance because both MNCs may perceive themselves as an outsider operating in the community where they are not familiar with. Being an outsider will elevate the liability of foreignness which may create social and economic costs when they operate. Thus, fostering relationships by contributing back in the form of CSR may help mining MNCs to reduce liability of foreignness in the new business environment.

4.1.1 Organizational Commitment

Commitment to the communities and other stakeholders is one of the crucial points for mining MNCs to engage in CSR activities. In their annual reports, mining MNCs in this study refer to terms such as ‘promise’, ‘obligation’, ‘commitment’, and ‘dedication’ when they identify their CSR activities. Those words can be related to mining MNCs’ aspirations to move beyond the economic contributors to social contributors in Thailand.

“As responsible corporate citizens, we believe that we can be constructive partners and help to improve the quality of life in local communities. We will achieve this by listening, engaging and respecting stakeholders and the public.” (Company B)

Mining MNCs in this study are aware of negative public perceptions towards mining industry and companies. For many years, mining does not have a positive reputation in Thailand. It makes MNC’s commitment to the local communities a challenge from the outset.

Regardless of whether communities want mining MNCs to proceed, it was explained in the literature that most people are inherently cautious of large mining MNCs. Mistrust is most acute where there is a history of forced resettlement or compulsory land acquisition by previous owners or the government. Trust-building can heavily motivate mining MNCs to engage in various CSR activities in Thailand. Mining MNCs seem to understand that it takes time to build trust with the Thai communities. Thus, short-term CSR strategies will not effectively convince the communities to trust them.

“We need to share our commitment to the local community, build confidence with them, and create long-term relationship.” (Company A)

Organizational commitment also involves actions that promote mutual benefits among mining stakeholders. The analysis shows that mining MNCs try to promote mutual social and economic benefits among stakeholders such as the local Government, community, suppliers, shareholders and local contractors.

This point is critical among local stakeholders since they may expect mining MNCs to be the connecting point among stakeholders such as the community, Government and NGOs. Mining MNCs are in the position to co-ordinate connections among mining stakeholders in Thailand because of their economic and political power in the mining community.
4.1.2 Social License to Operate in the Community

This factor is also not a new concept, when compared to mining MNCs in most developing countries. Both MNCs in this study are experienced companies and have years of operation in various other countries in Asia and South America. Therefore, they understand how to strategically operate in countries where reciprocal actions can be expected.

In their reports, the mining MNCs frequently adopted terms such as ‘mutual benefits’, ‘reciprocal’, ‘community benefits’, ‘community partnership’, ‘business-government relationship’, and ‘ability to engage’. These terms are strong indicators of MNC’s understanding of social license to operate in Thailand.

“The company recognises that its mining operations can create both positive and negative impacts on communities. On balance, we aim to ensure that the overall effect of its presence on communities is positive. It will be accepted by the community.” (Company B)

“We actively engage and maintain open and transparent dialogue with the governments and communities close to its operations and projects. Meaningful engagement is one way the company can know and understand the issues faced by those directly and indirectly affected by its operations.” (Company A)

“We conduct periodic socio-economic and health household surveys in local communities to better understand local issues and community living standards.” (Company A)

Mining MNCs require the ongoing approval, and acceptance, from the Thai communities and other stakeholders. In rural areas where mining sites are located, we can expect a high level of communitarian. In the annual reports, mining MNCs also refer to terms such as ‘social legitimacy’, ‘credibility’, ‘trust’, ‘communal’, and ‘ownership’. These words are important from the management perspectives since they represent how MNCs gain the social license through CSR programs. In practice, the absence of legitimacy leads to rejection of MNCs. The presence of legitimacy and credibility leads to acceptance of MNCs, while a high level of credibility and the presence of trust is the basis for approval. The most significant level of social license to operate in the Thai cultural context, co-ownership, can only occur when a high level of trust is present.

“Mining industry needs to fulfil their responsibility to respect human rights by paying close attention to the gendered impacts of their operations. This may help companies receive and then retain a “social licence” to operate. In addition, the potential negative impacts of mining operations and the associated costs to the company in terms of possible legal, financial or reputational risks and to communities can be minimized.” (Company B).

We also note that CSR activities by mining MNCs can also create social legitimacy for mining MNCs. Social legitimacy is based on established norms, the norms of the Thai communities, that may be legal, social and cultural and both formal and informal in nature.

“As one of the main employer in the province, we also take pride in value adding to the community. We operate our business in a responsible manner by taking care of the environment where we work on a long term basis.” (Company A)
Mining MNCs must know and understand the norms of various communities where they operate, and be able to work with them as they represent the local ‘rules of the game’. Failure to do so risks rejection. In practice, the initial basis for social legitimacy comes from engagement with all members of the community and providing information on the project, the company and what may happen in the future and then answering any and all questions.

4.2 CSR Activities

Data from mining MNCs also indicate various types of CSR activities adopted in Thailand. It included various aspects of development from economic development, education, community health, environment, skills and training development, gender equity, human rights and governance, and various aspects of community empowerment.

When the lead researcher extracted the themes from the secondary data, from both mining MNCs, two key themes were prominent as CSR for communities in Thailand. They include: (1) economic development, and (2) social development. Both aspects also offer various types of activities and managerial styles. In this section, we focus on key activities and how Thai ways of management can influence CSR activities by mining MNCs.

4.2.1 Economic Development

Mining MNCs in this study explicitly discussed their economic contributions to the local communities and Thailand. The common form of economic contribution to Thailand is tax and income generation. This form of contribution is tangible. Also, it tends not to be impugned by various other stakeholders in the community.

Apart from some generic points – such as contributions in the forms of tax, wage and salary payments to employees, the return of royalty payments, employment, and working with local suppliers – both mining MNCs propose some approaches that represent economic engagement among various stakeholders in the mining community. The Thai aspect of economic contributions can be different from one community to another. Mining MNCs seem to understand this point clearly.

“The Company’s philosophy is that wherever it operates, it partners with local authorities and communities to improve the socio-economic wellbeing of the region. Through engagement with stakeholders, the company seeks to understand its socio-economic impact on local communities and host regions.” (Company B)

Communitarian economy is one of many CSR economic activities that fit well in the Thai cultural context. The dispersion of wealth and income from mining MNCs should be planned and communicated with the community.

“It is estimated that over Baht 1 Billion of mine operating and maintenance expenditure has been sourced from within the community. This reflects the integration of the mine with the local community.” (Company A)

Some CSR campaigns such as ‘Buy Thai’ and ‘Promote Thai Products’ are commonly used by mining MNCs in Thailand. This kind of CSR helps promote enterprise development in the mining community. Both companies claim that actions to promote local products can help company to strengthen mining-related industries such as
manufacturing, agriculture and other services in Thailand. It can potentially promote equity in income generation (between men and women) since most SMEs in the community are run by women who do not work in the mining environment.

“The extent to which our company has shifted our procurement of inputs and components from foreign to domestic suppliers signals a growing ability by domestic producers to supply products competitively.” (Company A)

Other aspects that are meaningful for the community include mining contributions to the community to support the development of the local area and infrastructural improvements to roads, water and electricity supplies. This aspect is important for the Thai communities because it is perceived as communal benefits that promote equity in income dispersion, and perhaps gender equity. From the secondary data, both companies seem to focus on emerging social issues in the communities. These include: gender equality, economic empowerment for people from low socio-economic background, mining and environmental development, and mining and skills development in Thailand.

“Development of basic infrastructure can enhance the community and empower women to generate income.” (Company B)

Both mining MNCs discussed some long-term CSR strategies which may not be as popular among the community members. One important aspect is economic sustainability after the mine has closed. Mining MNCs in Thailand show their interests to work with women and young people to prepare them for the future. They are aware that male workers will be migrated to work in different areas of Thailand. Women and children, however, will remain in the community. Therefore, they need to prepare them for long-term economic impacts of the mining industry.

“A lasting contribution by the mine has been to improve skills among women and young children in the community. We have built physical and institutional infrastructure that will persist long after the mine has closed.” (Company A)

At this stage, both mining MNCs understand that women should be empowered and gender equality as a key focus should be included in the long-term CSR strategies by mining MNCs in Thailand. They start to promote economic activities that empower women in the community. We start to notice CSR schemes such as microfinance project, the village funds for women, educational loans (or scholarships) for female students, training centre and programs for women, and skills development activities for female workers. This can be seen as a developmental sign of mining MNCs regarding their CSR approaches and activities in Thailand.

4.2.2 Social Development

Social development is the broad term that mining MNCs use to define their engagement with local communities in Thailand. The scale of social development CSR activities can be varied. Mining MNCs in this study offer both long and short-term CSR projects in order to engage in social and community development.

In terms of management style, partnership with the local community and its people is also a significant point raised by all MNCs in this study. One mining MNC, for instance, identified their social development strategies by contributing to basic education and
training for young people from low socio-economic backgrounds, skills development for women and the promotion of cultural and social equity by empowering women, girls or people with low-work skills.

In doing social CSR activities, they need to include ideas and people from various social groups in the community from the agenda setting to the completion of the project. An emerging point from the literature is the focus on ‘transparency’ in actions of mining MNCs. It is confirmed that CSR activities in Thailand can be easily achieved when transparency is witnessed and practiced by all key stakeholders.

“We have implemented a strong community affairs program under which we have initiated a number of community related projects with the objective of improving and growing the local provincial economics.” (Company A)

From the mining MNCs’ perspective, sustainability in education and cultural heritage will create long-term well-being; promote sustainability among people from poor socio-economic backgrounds. Mining MNCs also promote the ideas of education development and protection of cultural heritage by working with the school leaders, the curriculum development team in the government and other agencies in the local area.

Participating mining MNCs in Thailand confirmed that they financially contribute to various forms of social development activities. This action is crucial to stakeholders in the community because it can be seen and perceived as marketing ploys by the corporate. Both MNCs in this study showed that the continuing support for social development activities that improve living conditions of social vulnerable groups must be planned and executed in their community strategies.

Also, one point which appears is that the wealth being generated should also be used for community development. Seemingly, mining MNCs in Thailand are aware of their position as ‘the outsider’ in the local community and need to actively engage in some social activities to improve poverty conditions in Thailand. They need to create stakeholders’ dialogue that the Thai community will gradually accept them as the ‘insider’ of the community and play roles in social-related CSR activities.

Education provision is among the most cited strategy by mining MNCs in Thailand. Mining MNCs in this study also referred to both short and long-term strategies in the improvement of local education and poverty conditions. One mining MNCs used education and training as a way to engage and recruit new staff members from the community. This is due to the need for specific skills, such as electrical, plumbing, or language skills, in the mining community.

Both mining MNCs promote long and short-term strategies when it comes to educational related CSR in Thailand. Short-term strategies include scholarships for children in the mining community, school-building, and financial supports for library and learning resources for the community. Some longer-term CSR strategies include ongoing-professional development for teachers, training centres in the community, training and postgraduate scholarships for staff, and the promotion of local wisdoms (คุณธรรมชาติ) in the community.

Mining MNCs also engage in a number of environmental issues. Both mining MNCs focus on ‘sustainability’ as a concept in the CSR actions. Strategies that lead to sustainability as
Pimpa, Moore, Gregory and Tenni

a concept include: health and safety of the workers, fair and rewarding work relationships and a healthy living environment.

“As one of the main employer in the province, we also take pride in value adding to the community. We operate our business in a responsible manner by taking care of the environment where we work on a long term basis.” (Company A)

Although it is complex to achieve the sustainability concept, the literature in international business (i.e. Matten and Moon, 2008; Pimpa, 2013) argue that approaches in relationship management among stakeholders in mining industry in Thailand is very crucial. Multi-stakeholder participation can enhance the quality of relationship and contributions by mining MNCs in Thailand in various forms. When participations among different stakeholders take place, key community’s demands will be discussed and mining MNCs can eventually response to the community needs, which may go beyond MNCs’ centralization approach in development.

5. Summary and Conclusions

This study identifies CSR motivations and activities by mining MNCs in Thailand. Clearly, some local factors play roles in CSR policies and practices in the Thai context. This study shows that the Thai CSR concept of social license to operate in the community can be different from the existing concept in Europe or South America (Smith, 2010). In the Thai context, MNCs need to be able to identify roles of insider and outsider in the community, prior to the implementation of CSR actions. More importantly, MNCs need to create stakeholders’ dialogue, engage people at all levels, and make sure that the Thai community will gradually accept them as the ‘insider’ of the community. This will help MNCs to play managerial ad strategic roles in social-related CSR activities.

Since there are various stakeholders in the implementation of CSR activities in the host countries, MNCs need to understand roles and expectations from each stakeholder. In other words, this research shows that in the Thai cultural context, CSR will work well when mining MNCs can build effective partnerships with stakeholders such as local Government, NGOs, community and civil society organizations.

Some points from the analysis are not that dissimilar from the literature in international business. The patron-client culture is still outstanding in operation of MNCs in Thailand. Communitarian approach is clearly an important idea for mining MNCs in this study. This is a good reflection of most communities in Thailand where most people may be more collaborative in the CSR program if the benefits return directly to ‘groups’.

The concept of social license to operate in Thailand is prominent among mining MNCs. This paper argues that social legitimacy and trust can help mining MNCs to obtain social license to operate in the Thai context. Trust is an important element in conducting CSR strategies from the Thai cultural perspective (Pimpa, 2013). This paper also argues that trust comes from shared experiences among various stakeholders in the mining community. The challenge for mining MNCs is to go beyond transactions with the community and create opportunities to collaborate, work together and generate the shared experiences within which trust can grow (Mitnick, 1995; Rajanakorn, 2012). There is often considerable complexity involved in gaining and maintaining a ‘Social License’ but, properly prepared and supported, the challenges created by such circumstance can usually be overcome.
This paper also argues that Thai stakeholders are key drivers for mining MNCs to engage in various CSR activities. Also, it confirms that mining MNCs in Thailand understand various types and approaches in conducting CSR activities. CSR approaches that are prominent among mining MNCs include communitarian, integration and engagement. This point is similar to previous global CSR studies (i.e. Cruz and Pedrozo, 2009; Matten and Moon, 2008). This point confirms the cultural and political power of local stakeholders in various aspects of CSR across cultural and national boundaries.

The key implication for managers is, in the Thai cultural context, community plays important role in political and social stances. All three motivating factors reported in this study, management of relationship with mining stakeholders, organizational commitment and social license to operate, are strongly related to the communitarian approach.

The integration to the community is related to almost all aspects of CSR by mining MNCs in Thailand. It reflects concern for both self and others. Mining MNCs understand that they need to promote synergy and work toward the development and achievement of individual and group goals. More importantly, giving back as one of the key Buddhism concepts can be done for the benefit of their community. Being community-centric can also protect mining MNCs from some common criticisms such as being profit oriented, exploitation of resources in Thailand and economic imperialism.

Finally, mining MNCs in Thailand realize that women play important roles in the mining community. They start to focus on ways to empower women. Economic empowerment is an obvious CSR strategy that leads to better quality of life among women. Mining MNCs also promote women-led SMEs which can flourish in the mining supply chain. Women can also be promoted through various social mechanisms such as education and skills development, health promotion, human rights, governance and leadership in the international mining industry.

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Pimpa, Moore, Gregory and Tenni

Pimpa, Moore, Gregory and Tenni
