FOSTERING CORPORATE CITIZENSHIP IN THE SOUTH AFRICAN TAXI INDUSTRY

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DECLARATION

I, Nyameka Peko, hereby declare that:

- The work in this treatise is my own independent and original work
- All sources referred to have been documented and acknowledged by means of complete references; and
- This treatise has not been previously submitted in full or partial fulfilment of the requirements for an equivalent or higher qualification at any other recognised educational institution.

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Nyameka Peko

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Date

ACKNOWLEDGEMENTS

DEDICATION

This treatise is dedicated to my late uncle Judge Zweledinga Sabbath Peko who has unfortunately not been able to witness the academic achievements of his daughter. I applaud him for unconditional love and inspiring the desirable interest of improving oneself through learning.

ABSTRACT

The purpose of this study was to investigate and foster corporate citizenship (CC) in the SA taxi industry. The primary objective of this study was to foster corporate citizenship in the South African taxi industry by investigating the determinants that would increase CC in the SA taxi industry. The study gathered quantitative information about CC, identified which factors influence CC in the taxi industry and investigated which of these factors are the most important determinants that would increase the CC in the industry in South Africa.

This study was intended to contribute to building the body of knowledge for the implementation and fostering of corporate citizenship programs. In particular, the researcher hoped that the framework provided in this study would outline the practical strategies that the taxi organisations should take in developing targeted, long-term partnerships with the communities in which they operate.

Convenience sampling was used to select one hundred (100) participants. The response rate was ninety-six percent (96%). The sample was structured to include the directors, deputy directors, senior managers, managers and the drivers of the taxi organisations in twenty-three districts in the Eastern Cape. These participants were taken from the body that incorporates all the taxi associations in Eastern Cape called the Eastern Cape Bus and Business Chamber (ECBTBC).

The empirical results revealed that in order to increase corporate citizenship within the SA taxi industry there should be an increase in its human resource management, operations management and the dynamic externalism of its members. The findings also revealed that the social cynicism should be decreased within this industry.

Key words: Corporate citizenship, social axioms, social cynicism, dynamic externalities, financial management, human resource management, operations management and marketing management, social beliefs and generalised beliefs.

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CHAPTER 1

SCOPE OF THE STUDY

1.1   INTRODUCTION

The development and implementation of corporate citizenship (CC) or corporate social responsibility (CSR) programmes among companies have increased significantly all around the world in the past five years (Solomon and Nelson, 2013:236). The term corporate citizenship is becoming increasingly popular in the business world (Wood and Logsdon, 2002; Matten et al., 2003; Jeurissen, 2004). CC has been defined as recognition that a business, corporation or business-like organisation, has social, cultural and environmental responsibilities to the community in which it seeks a licence to operate, as well as economic and financial responsibilities to its shareholders and immediate stakeholders (Stebinns, 2001).

Businesses are operating in the world where customer and client awareness, expectations and dissatisfactions with the business world are growing particularly where more and more customers make many decisions about who to give their business to, beyond simple cost considerations. It is however important for the businesses to go beyond the legislation and regulations to achieve compliance in fulfilling the role of being a good corporate citizens (Birch, 2008:135).

The main interest and focus of the study is based on finding a strategy that can be implemented to integrate or cultivate corporate citizenship within the public passenger transport industry (taxi and small buses industry). The study also focused on how being a responsible social citizen may impact on the company through the stakeholders (internal and external). Taxi and small bus operation is dependent upon the social, legal, economic, ethical, cultural and natural environment within which it occurs, and its success is dependent upon the environment in which it operates. Good relationships with both internal and external stakeholders make good business sense. These relationships need to be based on trust, empowerment, co-operation and partnerships (Sison, 2011:100).

If the concept of corporate citizenship or corporate social responsibility is not incorporated within this industry, there will be a continuous loss in taxes as the government will not be able to control or strenghten the systems of tax collection because of the nature of this business, and these entrepreneurs will continue with non-compliance and undermine the regulations of the state as they are feared as mafias. This unregulated industry will expand beyond anyone's control and cause an oversupply of service and then it will no longer make business sense for anyone to own a taxi or small bus. The industry will then continue to use highly exploitative labour practices (Barret, 2003:ix). Unregulated violence and threats will continue as arrangements in the industry are not enforced by the police (Barret, 2003:ix). Lastly, the taxi owners should begin to realise that they are a business that operates in society and not in a vacuum, and therefore they have social obligations just like any other citizen in a nation.

1.2 THE PROBLEM STATEMENT

The role of corporate citizenship (CC) for employees is becoming a buzz word in modern businesses globally. Huge companies focus more now on employee development to gain a competitive advantage over their rivals. This study therefore seeks to investigate how to foster or cultivate CC among the owners, management and employees of public transport in order to use the findings to enhance the future CC strategies in the selected associations. This research also aimed to identify the extent to which managers and employees are aware of the organisations' various CC interventions and activities and the extent of their involvement in these.

The literature reviewed for the purpose of this study has shown some serious gaps in investigating this industry regarding corporate citizenship in many different contexts. The major gap pointed to by most scholars that have researched a similar topic is the neglect of the critical role that is played by the internal stakeholders and their responsiveness towards the planning and execution of CC strategies. This study therefore sought to examine the extent to which the CC initiatives impact on public transport owners and if there is any particular link to what owners, their managers and their employees perceive and their satisfaction and fulfilment.

The few studies (Maignan and Ferrell, 2001; Jeurissen, 2004; Wilkie and Moore, 2007; Shultz, 2007 and Kim, 2000) that have investigated this particular aspect have indicated that there is a positive link between good corporate citizenship and employee attitude, behaviour and productivity, but very few of those studies have been conducted within the public transport industry, particularly the taxi industry, an industry which operates in the informal sector and in the deep rural areas where there are challenges facing the poor communities in the Eastern Cape and where the drivers are highly exploited for the sake of high fuel cost cutting, unfair shifts and long driving, yet have to meet the daily target regardless of the safety of passengers.

1.3   THE PROPOSED CONCEPTUAL MODEL TO SOLVE THE PROBLEM

The researcher proposes the conceptual model below (see Figure 1.1) in order to foster the CC within the South African taxi industry. The proposed model argues that social axioms or cultural dimensions (as measured by dynamic externality and societal cynicism) and organisational performance (as measured by effective human resource management (HRM), operations management (OP), marketing management and financial management) are factors to consider in fostering CC.

FIGURE 1.1: THE CONCEPTUAL MODEL TO FOSTER CORPORATE CITIZENSHIP IN THE TAXI INDUSTRY
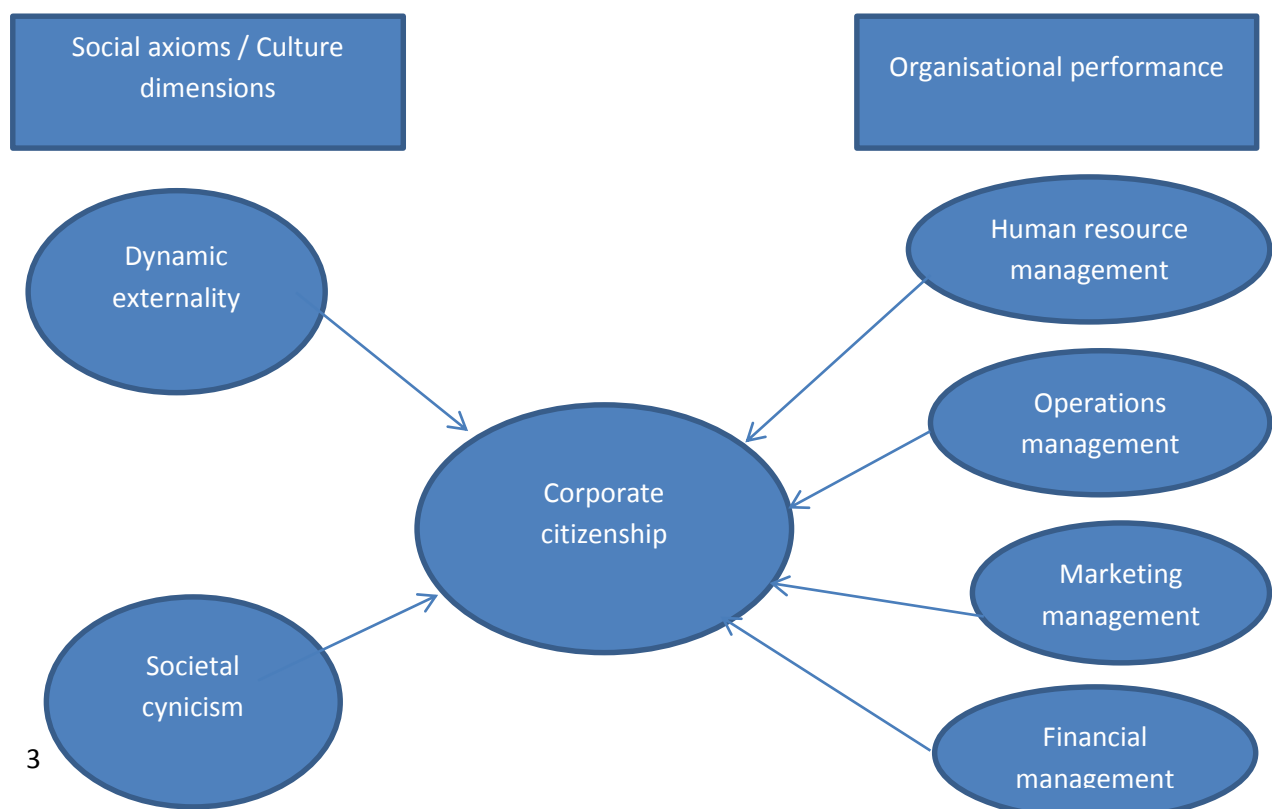
Specific research sub-foci that need to be investigated include:

1.3.1 The role of dynamic externalism in fostering corporate citizenship

According to Leung and Bond (2004), Chen et al., (2006) and Zhou and Leung (2008), dynamic externality emphasises the proactive mobilisation of psychological resources by people, as individuals and group members, to confront environmental constraints and difficulties. Good citizens should portray acceptable behaviours and corporations should act responsibly. By doing so, corporations could maintain the moral standards in the communities where they operate.

This is not beyond the reach of the taxi industry, as the moral standards are often maintained by religiosity (belief in an external Supreme Being and/ or fate). When fostering CC in the taxi industry, the influence of dynamic externalism should be considered, as constructive thoughts emanating from it could assist or guide taxi owners and drivers in maintaining good behaviours and moral standards. Maignan et al., (2000) also suggested that dynamic externalism plays a role in how people adhere to codes of ethics.

1.3.2 The role of social cynicism in fostering corporate citizenship

According to Bond et al., (2004), social cynicism represents a negative assessment of human nature and social events. For example, the socially cynical statement that kind-hearted people usually suffer losses might prevent taxi people from engaging in corporate citizenship activities and make them distance themselves from the CC program and not encourage their employees and management to participate in such programs. This might be due to their life experience where they might have seen kind-hearted people suffering loss; this should not be a factor in or compromise the CC within the industry because each corporation has a social obligation to sustain the communities where they operate.

As a key driver of value in any organisation, employees (taxi drivers, queue marshals, rank marshals) need to be engaged in the task of integrating CSR throughout the industry, helping the industry achieve its CSR goals and adhere to its

CSR principles consistent with its strategic business direction. Anything less than this is likely to breed cynicism and lead to reputational issues and a disconnection between rhetoric and practice. The growing awareness that business value is more and more a function of intangibles such as goodwill, reputation, trust, talent and intellectual capital, makes this an increasingly important consideration. Therefore, in order to foster CC in the taxi industry social cynicism must be decreased.

1.3.3 The role of human resource management in fostering corporate citizenship

Human resource management is also one of the main correlates of corporate citizenship (Shultz, 2007). In other words, the way human resources are managed in the taxi industry (the way they employ, develop, dismiss their staff such as drivers, and pay remuneration according to the industry norms) plays an important role in enhancing CC.

In increasing the CC of the taxi owners in fulfilling this obligation, the HRM of the taxi industry should try to improve their HRM by acting ethically, complying with the legal requirements, and respecting people. In order to be good citizens, taxi owners and their managers should register their employees with the labour relations body as well as respect their drivers and their opinions and feelings that should be considered and not ignored.

In order to foster CC in the taxi industry, their HRM must be increased especially regarding the workforce-oriented CC activities. These workforce-oriented CC activities refer to those activities aimed at improving working conditions, work-life balance, job fulfilment, equal opportunities and diversity, training and staff development, advancement opportunities, providing information to employees, participation in business decisions and fair remuneration.

1.3.4 The role of operations management in fostering corporate citizenship

Kamauff (2010), however, described the operations function as a business function responsible for the activities and processes that transform the inputs into outputs for

the customers-finished goods and services; this entails the design and the control of systems responsible for the productive use of raw materials, human resources, equipment and facilities in developing goods and services. Businesses should not infringe human rights when conducting their operations. Nowadays consumers are increasingly aware of the goods they buy and the processes engaged in the production of these goods, so businesses should be careful how they respect the human rights in their processes (UN Global Compact, 2010).

The taxi owners need to put more effort into good operations management when doing their business by knowing the processes of the operations in order to increase their CC role. Therefore the board of directors of the taxi organisations or associations must consider the impact of the company's operations on society and the environment and protect, enhance and invest in the well-being of the economy, society and the environment. The Constitution and the Bill of Rights should be used as a guide to ensure the company's performance and collaboration with its stakeholders (UN Global Compact, 2010). In this way their CC would increase. The industry has to comply with all government regulations on public transport including the safety of passengers, reduce road accidents, comply with the labour laws, stay away from child labour practices, pay taxes, keep proper financial records and healthy competition, with road worthy vehicles as well as the legal licencing of public vehicles, as the act of a responsible corporate citizen.

1.3.5 The role of marketing management in fostering corporate citizenship

Marketing refers to a systematic set of processes for creating, communicating and delivering value to customers and for managing customer and societal relationships in ways that benefit the organisation and its stakeholders both locally and globally (Wilkie and Moore, 2007; Shultz, 2007). Also, marketing entails the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organisational objectives (Wilkie and Moore, 2007: 269). Maignan and Ferrell (2001) argued that good corporate citizenship may assist the organisations to market themselves and their products to both external and internal customers. If the marketing of the taxi

business is done with due care, their CC would increase and in turn this would market the taxi business.

1.3.6 The role of financial management in fostering corporate citizenship

Srinivasan et al., (2013) defined the finance function as the essence of a business or a firm. They emphasised efficient handling of the finance function and defined it as the management of finance or a function of the business unit in order to realise the objective of the function in an efficient manner. The role of the finance function is the mobilisation and use of funds by a firm or business. It deals mainly with the procurement of funds and the careful use of funds with a view to realising the objective function of the firm more effectively.

Financial management according to Riley (2012) is the management of the finances of the business or organisation in order to achieve its financial objectives. These objectives are the creation of wealth for the business, generating cash and providing an adequate return on investment bearing in mind the risk that the business is taking and the resources invested (Riley 2012). Financial management for the taxi business should be managed in order to achieve the financial objectives of the business.

The taxi business should exercise financial planning, financial control and financial decision making activities when generating funds from their activities, which must be properly managed and comply with the regulations that govern the handling of cash. The cash generated should be recorded accurately and such information should be made available for scrutiny. Currently the industry is being transformed into a formal business and they are expected to contribute tax to the receiver of revenue – SARS (South African Revenue Services).

1.4 RESEARCH OBJECTIVES

1.4.1 Primary objective

The primary objective of the study was to cultivate corporate citizenship in the owners, management and employees of public passenger transport in South Africa

by investigating selected determinants of such corporate citizenship. More specifically, the study investigated the roles that human resource management, operations management, marketing management, financial management, social cynicism and dynamic externalism play in cultivating corporate citizenship.

1.4.2 Research design objectives

In order to achieve the above-mentioned primary objectives, the following research design objectives were pursued:

- Conducting a secondary literature review on the issue at hand;
- to design a questionnaires for the collection of data;
- to distribute the questionnaires among taxi and small bus owners who belong to the Eastern Cape Bus and Taxi Business Chamber (ECBTBC);
- to capture the data in the Excel computer software program;
- to analyse the data using the STATISTICA computer software program;
- to interpret the results and draw conclusions; and
- to provide recommendations to the management and directors of ECBTBC.

1.5 THE NULL HYPOTHESES

The following null hypotheses were formulated as the basis for the empirical investigations:

HO1. There is no significant relationship between dynamic externalism and fostering corporate citizenship in the South African taxi industry.

HO2. There is no significant relationship between human resource management and fostering corporate citizenship in the South African taxi industry.

HO3. There is no significant relationship between marketing management and fostering corporate citizenship in the South African taxi industry.

HO4. There is no significant relationship between operations management and fostering corporate citizenship in the South African taxi industry.

HO5. There is no significant relationship between financial management and fostering corporate citizenship in the South African taxi industry.

HO6. There is no significant relationship between social cynicism and fostering corporate citizenship in the South African taxi industry.

1.6   METHODOLOGY OF THE STUDY

1.6.1   Research paradigm

For the purpose of this study, the quantitative approach was used. With the quantitative approach, human activity is understood as observable behaviour taking place in observable, material circumstances. The causes of human behaviour are regarded as being external to the individual. This approach therefore implies that human activity is based on the assumption that a single objective reality exists independently of what individuals perceive as a real, concrete and unchanging structure and their social context does not exist (Collis and Hussey, 2009).

Literature further describes the quantitative research approach as the one that uses statistical analysis. In essence, this approach reduces the data into numbers, and usually the researcher knows in advance what he/she is looking for and all aspects of the study are carefully designed before the data are collected (Jill and Roger:56). The objective of quantitative research is to develop and employ mathematical models, theories and hypotheses pertaining to phenomena. The positivist is sometimes referred to as realist, because the researcher uses objective research methods to uncover the truth. This implies that the researcher needs to be as detached from the research as possible, by using methods that maximise objectivity while minimising the social influence and involvement. Different writers proved that it is relatively impossible to disengage the researcher from the social impact (Collis and Hussey, 2003:56).

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1.6.2 Population of the study

Stuart and Wayne (1996:29) describe a population as any group that is a subject of research interest. Therefore, the researcher gathering the data has a group of people that he wants to target and study. This large group of all the people the researcher wants to know about is referred to as the population. In the case of this research the focus was on the taxi and small bus industry in the Eastern Cape, South Africa.

1.6.3 Sample design

It would be impractical to send a questionnaire to everyone in the taxi and small bus industry in the Eastern Cape, South Africa. Instead, the researcher used a smaller set of people from each population group. This smaller group was called the sample and supported by Graziano and Raulin's (1997:114) explanation that the sample is a subset of people drawn from that population.

To ensure that the sample represents the population, researchers use a random sample method (probability). A random sample means that every person in the population was equally likely to be chosen. When the sample is chosen randomly, it will reflect the characteristics of the population. The other sampling method is subjective (non-probability) sampling. Whether the researcher uses random or subjective selection, the sampling method needs to be representative of the population in order to make good inferences about the study. For the purpose of this study the probability sampling method was used, because according to Graziano and Raulin (1997:170) probability sampling serves as a procedure for selecting subjects from the population where each subject has an equal chance of being selected.

The researcher conveniently selected one hundred (100) participants from the taxi and small bus owners, consisting of directors, deputy directors, senior managers, managers and drivers from each of the twenty-three districts in the Eastern Cape. Only 96 participants finally participated in the study.

1.6.4 Measuring instruments/ data collection tools

The prevailing facts, thoughts and general knowledge about corporate citizenship were collected from various secondary literature sources, such as the UN Global Compact (2010), Jeurissen (2004) and the Institute of Directors (IOD) (2009). This information was then converted into questionnaire statements that were presented to participants for their responses. Corporate citizenship was measured by 16 items.

The model of Leung et al. (2002) known as the Social Axiom Survey (SAS) was adapted to measure the social dimension variables investigated in this study. This assessment tool measures the behaviour of taxi business owners, taxi associations and their employees in social cynicism (11 items) and dynamic externalism (21 items).

The Small Enterprise Development Agency (SEDA) Small Business Assessment Tool was adapted to measure the management variables investigated in this study. This assessment tool measures how effective a taxi business is in operations (9 items), human resources (14 items), marketing (8 items) and financial management (9 items). All questionnaire statements were anchored to a five-point Likert scale ranging from (1) strongly disagree to (5) strongly agree.

1.7 TERMINOLOGY

In the present study the following terminology bears the meanings as explained below:

Corporate citizenship: CC has been defined by Stebinns (2001) as recognition that a business, corporation or business-like organisation, has social, cultural and environmental responsibilities to the community in which it seeks a licence to operate, as well as economic and financial responsibilities to its shareholders and immediate stakeholders. Williams (2010: 446) defined CC as business decision-making linked to ethical values, compliance with legal requirements, and respect for people, communities and the environment. Maignan and Ferrell (2001) defined CC as the degree to which businesses assume the economic, legal, ethical and

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discretionary responsibility imposed on them by their stakeholders. In simple terms, according to King Report 11, CC includes the obligation of the business to contribute to sustained economic development, working with employees, their families, the local community and society at large to improve their quality of life.

Social beliefs– beliefs are social in nature and are widely shared within social groups, such as cultures. When the researcher talks about the shared beliefs, it reflects how people construct their social world and how they seek meaning and understanding of social realities, and they are context specific. Beliefs serve as the key components of attitudes, they have been extensively used as individual difference variables to explain and predict social behaviour.

Generalised beliefs: A general belief refers to being context free and is related to a wide spectrum of social behaviours across diverse contexts, actors, targets and periods. These general beliefs are basic premises that people endorse and on which they rely to guide their actions. It is however noticed that the beliefs can therefore be a useful instrument in managing a diverse workforce, such as the kind of workforce found in South Africa (SA) (Leung et al., 2002; Bond, 2004; Chen et al., 2006).

Social axioms: Social axioms refer to the generalised beliefs about oneself, the social and physical environment, or spiritual world, and are in the form of assertions about the relationship between two entities or concepts (Leung et al., 2002:289). According to Singelis et al. (2003), a social axiom proposes a basic premise in the form of an assertion in which a relationship between two entities or concepts is found. Bond et al. (2004); Leung and Bond (2004) and Leung et al. (2002) argued that this relationship can be casual or through a correlation. For example a belief statement such as "Hard work leads to reward" asserts that a causal relationship exists between "hard work" (Labour) and "reward" which is a positive outcome for the labourer; however this has become a general statement, because for many kinds of hard work there are as many kinds of reward (Leung and Bond, 2004). Leung and Bond (2004) argue that social axioms are the truth statements for the actor, as they do not asses the desired goals. Social axioms play a central and organising role in people's belief systems and that their major function is to enhance the survival and

functioning of people in their social and physical environment (Leung et al., 2002:289).

Dynamic externalism: This refers to a proactive mobilisation of psychological resources used by people, as individuals and group members, to confront environmental constraints and difficulties. The outcomes of this simplistic struggle with external forces are influenced by a Supreme Being and fate. The emphasis on effort and control gives this construct a dynamic quality, while elements of religiosity and fate give rise to its externality. Cultures high on dynamic externality expect the collective to reward fair, altruistic and caring behaviour and to provide role clarity and rules for fairness in individual and group relations (Burgess, 2011; Chen et al. 2006; Zhou and Leung, 2008).

Social cynicism: According to Bond et al.(2004), social cynicism represents a negative assessment of human nature and social events. Furthermore, Bond et al. (2004b: 553) explain that social cynicism refers to a negative view of human nature, a view that life produces unhappiness, that people exploit others, and a mistrust of social institutions.

1.8 OUTLINE OF THE STUDY

The study consists of the following chapters:

Chapter 1 provides an introduction and outline of the study. The chapter contains the problem statement, conceptual; model, research objectives, sample, measuring instruments and the definitions of concepts.

Chapter 2 focuses on the literature study that underpins the research problem.

Chapter 3 is where the methodology of the study is discussed. This includes the research approach (paradigm), the sample, measuring instruments and data analysis procedures.

In Chapter 4, the empirical outcomes are reported and interpreted.

In Chapter 5, the empirical results are discussed and conclusions drawn. The chapter also includes recommendations to managers, the limitations of the study and highlights areas for future research.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter will address the literature review on corporate citizenship (CC). A brief history or background of the origin of CC is explored. Corporate citizenship is defined according to the literature reviewed. The researcher then describes various characteristics of CC. CC can also be identified by certain elements which will be discussed in this chapter. The principles of CC will be explained briefly. To perform a CC role there are conditions that enable such activities to take place. For the benefit of this research different variables are described. These include the social axioms (as measured by dynamic externality and social cynicism), and organisational performance (as measured by human resource management, operations management, marketing management and financial management).

2.2 THE HISTORY, CONCEPTUALISATIONS AND IMPORTANCE OF CORPORATE CITIZENSHIP

2.2.1 History of corporate citizenship

Business has been proposed to be the most important economic institution affecting the community much more than previously thought. The American firms established after the World 11 era and their domination of the global economy have resulted in CC (Thorne et al., 2003). From 1990s the term CC began increasingly to compete with and replace stakeholders' theory, corporate social responsibility (CSR) and other notions in the realms of management theory and practice (Matten et al., 2003:111). The new term, according to Matten et al., (2003), explained why the old terms such as CSR and stakeholder management seemed to be inappropriate. However, business ethics and CSR were the added responsibility revealing to the business world what they should do. Hence, citizenship has different connotations for business. CC highlights the fact that corporations realize their rightful place in society, next to other citizens, with whom the corporation forms a community.

Citizenship focuses on the rights and responsibilities of all members of the community, which are jointly interlinked and dependent on each other (Matten et al., 2003: 111).

Matten et al. (2003) found that the new terminology has been very much driven by practitioners, managers, consultants and the popular business press. Corporations simple chose their own agenda based on the issue of being a good corporate citizen instead of accepting the advice of academics and critics to become more socially responsible. This has created an urgency of interest in academia and elsewhere. This gave birth to the urgency of the articles and even the journal of CC (Matten et al., 2003; Waddock, 2003).

The origin of CC sometimes called corporate social responsibility (CSR) can be traced from the roots of political science (Crane et al., 2008). According to Crane et al. (2008), the business firms are citizens, with both rights and responsibilities. The responsibilities of the firms include both economic and social welfare of other citizens. This concept extends the responsibilities of firms beyond those of stakeholders to all stakeholders and to all citizens (Crane et al., 2008: 571). Researchers noted that the use of the term CC to imply a social role of business has been inconsistent or not clear at all (Matten et al., 2003).

2.2.2 Conceptualisations of corporate citizenship

Corporate Citizenship has been defined by Stebinns (2001) as recognition that a business, corporation or business-like organisation, has social, cultural and environmental responsibilities to the community in which it seeks a licence to operate, as well as economic and financial responsibilities to its shareholders and immediate stakeholders. Williams (2010: 446) defined CC as business decision-making linked to ethical values, compliance with legal requirements, and respect for people, communities and the environment. Maignan and Ferrell (2001) defined CC as the degree to which businesses assume the economic, legal, ethical and discretionary responsibility imposed on them by their stakeholders. In simple terms, according to the King Report 11, CC includes the obligation of the business to contribute to sustain economic development, working with employees, their families,

the local community and society at large to improve their quality of life. CC has been based on a collaborative partnership effort with the key stakeholder groups with the focus on discovering genuine business opportunities through partnership and associated with actions of management of corporate social and financial activities (Hambolu and Abdullahi, 2008).

According to Stebbins (2001), CC involves an organisation coming to terms with the need for, often, radical internal and external changes, in order better to meet its responsibilities to all its direct and indirect stakeholders, in order to establish, and retain, sustainable success, and to achieve long-term sustainable success for the community at large. CC has been described as a full range of all internal and external corporate activities that contribute to the well-being of society, especially those which embrace the related concepts of sustainability and CSR (Cavanaugh, 2005).

An organisation must fulfil the definition of CC as defined by different writers by assuming the responsibility for engaging in activities such as compliance, information seeking, scanning, communicating, and modification of organisational processes so as to improve the lives of the stakeholders (Maignan et al., 2001: 38; Kneale, 2002). Good corporate citizenship integrates social, ethical, environmental, economic and philanthropic values in the decision-making processes of a business.

Corporate citizenship has supporters and detractors from across the political and ideological spectrum, business, non-government organisations and the general public (Hambolu and Abdullahi, 2008). However, Kim (2000:216) described CC as a way of conducting business dealings in an ethical manner, making a concerted effort to balance the needs of all stakeholders while working to protect the environment. In order to fulfil this definition a good corporate citizen should practise ethical business behaviour, stakeholder commitment, employee commitment, investor commitment, supplier commitment and environmental commitment (Nyama, 2008; Kim, 2000).

Here the economic responsibilities include the obligations to be productive, to be profitable and to meet consumption needs. Legal responsibility requires that the business fulfil its economic mission within the framework of legal requirements.

Ethical responsibilities concern society's expectation that the business follow established moral standards. Discretionary responsibility reflects the desire to see the businesses involved in the betterment of society beyond the economic, legal, ethical and ethical responsibilities. So the businesses meet their discretionary responsibility by engaging in activities such as the provision of a day care-centre for working mothers, philanthropic contributions or creation of pleasant work aesthetics (Maignan et al., 2000: 294).

In the above definition of CC, it has been suggested that commitment to visible and popular activities such as volunteer programs, philanthropic donations, or sponsorships is not sufficient to establish CC. Being a proactive supporter of CC, one needs to pay attention to economic, legal and ethical as well as discretionary responsibilities, such as informing the employees about the regulations guiding appropriate relations with customers and co-workers or by running all business operations efficiently with an eye to future performance (Maignan et al., 2000: 294). Maignan et al. (2000) also suggested that the management should pay attention to the code of ethics, to confidentiality and reporting procedures when they want to evaluate their CC.

According to Jeurissen (2004), the representation or metaphor of corporate citizenship proposes an institutional approach to corporate social responsibility. Jeurissen (2004) further explained that citizenship stands as a social role, characterized by an orientation towards the social contract, and collective and active responsibility, as well as a positive attitude towards the juridical state. Therefore, CC is a social role, characterized by the social contract of business, a participatory ethics of business, the precautionary principle and the promotion of just international institutions. It is also considered that CC is influenced by a number of interacting institutional conditions that hold society partly responsible for the social performance of their companies (Jeurissen, 2004).

The literature reviewed emphasised that CC encompasses everything the organisation does that affects the community. According to Nyama (2008), CC requires that a company should ensure good corporate governance, thereby holding its solvency within a community. Good corporate citizenship does not permanently

take in large-scale philanthropic projects. Every time a company remains solvent, it preserves jobs and benefits for the local area, helping that area as a good citizen. Further than good governance and solvency, a company, whether it is local, regional, national, or global, voluntarily chooses its corporate social responsibility projects and the scope of those projects to benefit the community (Nyama, 2008).

According to Matten et al. (2003),the philanthropic role and responsibilities voluntarily undertaken by an organisation or business in the local community, such as charitable donations, are just a limited view of CC. Furthermore, Matten (2003) emphasized that being the good corporate citizen has a specific element of CSR, namely philanthropic responsibilities being the fourth level of CSR. Nevertheless Carrol (1991) places CC at the top level of the CSR pyramid, suggesting that it is a discretionary activity beyond what is expected of business. CC is viewed in this respect as a choice to put something back into the community, which is preferred by the community rather than compelled in any way (Carroll, 1991: 42). Matten (2003) speaking from a firm's perspective, asserts CC is generally seen therefore as being fuelled by issues of self-interest including the insight that a stable social, environmental, and political environment ensures a profitable business environment.

2.2.3   Characteristics of corporate citizenship

CC is characterised by the social contract of the business, institutional responsibility, the precautionary principle and just international institutions (Jeurissen, 2004: 89). According to Jeurissen (2004), the social contract of the business is the relationship between the business and the society in which the business operates. In this contract the society comes into agreement with the business that it should receive a number of privileges from the society, mainly the legally institutionalised corporate personality and in exchange the society is granted a number of benefits of corporate production. In this exchange, the society reaches agreement as long as the benefits exceed the social costs. CC further adds the social role of the business which guides the businesses to form themselves into responsible members of society (Jeurissen, 2004: 89).

Institutional responsibility is a responsibility shared by both the business and other social parties and performed in order to sustain a society. Governments and the organisations of civil society form part of these social groups. For the business to exercise this responsibility, it takes on joint accountability to engage in the partnerships with other stakeholders for the joint solution of social problems (Waddock, 2003).

The precautionary principle is exercised by the management of an organisation immediately when there is an indication of risk. In other words the preventative measures should be in place if the business is regarded as a corporate citizen. Responsibility for the precautionary principle for CC comes through fully when looking at the complex problem of responsibility for future generations. Through this the businesses should enjoy the natural capital equally with the consideration of the future generation (Jeurissen, 2004: 89-90).

Just International institutions assume that the organisations pursue good and just laws to which they are willing to be subject. Even for the multinational organisations to pursue transition to a social contract of the business at the global scale, legalisation of CC is necessary (Jeurissen, 2004; Williams, 2008).

2.2.4 Key elements of corporate citizenship

The key element identified by many authors is the element of citizenship, which refers to membership that is surrounded by the political or national community (Matten et al., 2003:114). According to Marsden (2000: 11), this means that the corporation is a legal entity with the rights and obligations of the state within which it operates. Citizenship is the right to take part in the public life of the state, which is more in the line of duty and a responsibility to look after the interest of the community (Matten et al., 2003).

Based on this element the literature revealed that there are rights that are enjoyed by the corporate citizens that the company would expect as well. So if the government fails in its duties, the society would be happy if the businesses filled this gap. But this would be determined at the discretion of the business if it has an interest in that area.

So the businesses are left to protect or not to protect certain rights for consumers, workers and other citizens even if they do not come under the clear heading of CC. It is evident that a shift in society has put the question of corporate accountability at the top of the social, political and economic agenda of societies in the era of globalization. And this is just the solution to the serious problems referred to by Matten et al. (2003).

2.2.5 The principles of corporate citizenship

The UN Global Compact (2010) generalized the principles of CC. In principle, the internationally proclaimed human rights should be respected and supported by any business. Under normal circumstances, government holds the primary responsibility to protect human rights but that does not eliminate the responsibility of individuals and organisations. Businesses should not infringe on human rights when doing their operations. Nowadays consumers are increasingly aware of the goods they buy and the processes engaged in the production of these goods, therefore businesses should be careful how they respect human rights in their processes (UN Global Compact, 2010).

Businesses that protect and support human rights are likely to increase their productivity level and retain their employees. This happens when the employees are treated with dignity and given fair and just remuneration and where they are not exploited for the sake of maximizing profits. The business might attract good quality workers because new recruits are considerate of the place where they want to work. Often new recruits would consider the social, environmental and governance record of the companies or organisations when they are making their choice of an employer (UN Global Compact, 2010; Jones et al., 2007).

It is crucial for companies to address human rights even if the companies operate on a global scale because their information can be viewed worldwide as the technologies are advancing and improving communication around the world. This can bring rewards firstly at the local level within the local communities and in the broader global communities. Businesses should consider the impact they have on

human rights whether negative or positive, and companies should check their impact in connection with human rights abuse (UN Global Compact, 2010).

Most importantly companies are governed by applicable laws and international human rights which should be respected at all times. Businesses have a responsibility to respect human rights whether they are operating in an area of weak governance or in a more stable context. In areas where there is weak governance, the risks of infringing human rights may be greater because of the context (UN Global Compact, 2010).

A statement of policy should be adopted by companies as a public commitment to fulfil their responsibility to respect human rights, approved by their board or equivalent management body. This can be a stand-alone statement or integrated into a broader corporate sustainability policy or code of conduct. In this policy companies should stipulate the company's human rights expectations of personnel, business partners and those directly linked to the organisation's operations, products or services. The policy should be communicated to these parties and should be reflected in operational policies and procedures in order to embed it throughout the business functions, and should be made available to the public (UN Global Compact, 2010).

Human Rights Due diligence is necessary to demonstrate that a company is meeting its responsibility to respect human rights. This is the ongoing process taken to identify, prevent and mitigate and account for negative human rights impacts which the company may cause or contribute to through its own activities or which may be directly linked to the company's products, operations or services by a business relationship (UN Global Compact, 2010).

The company should perform a remediation process which is critical to address the adverse human rights impacts that it has caused or contributed to. This can be done through effective company-level grievance mechanisms which will ensure that employees, contractors, local communities and others can raise their concerns and have them considered. However, in this way companies can identify risks of negative impacts and avoid escalation of disputes (UN Global Compact, 2010).

UN Global Compact, (2010) and Jones et al. (2007) further added the principle that businesses should uphold the freedom of association and effective recognition of the right to collective bargaining. Freedom of association indicates respect for the right of all employers and all workers to freely and voluntarily establish and join organisations of their own choice.

Moreover, businesses should eliminate all forms of forced and compulsory labour at all times (UN Global Compact, 2010; Jones et al., 2007). This refers to any work or service that is exacted from any person under the menace of any penalty, and for which that person has not offered himself or herself voluntarily. It is by right, that labour should be freely given and employees should be free to leave in accordance with established rules. Forced labour violates fundamental human rights and deprives societies of the opportunity to develop skills and human resources, and to educate children for the labour markets of tomorrow. Forced labour is felt by individuals, in particular children, and also by society and the economy at large. Forced labour lowers the level of productivity and results in less secure investments and slower economic growth by retarding the proper development of human resources (UN Global Compact, 2010; Jones et al., 2007; Williams, 2008).

The businesses should stay away from child labour. This is a form of exploitation that is a violation of a human right. Child includes all girls and boys less than 18 years of age but in certain cases children below 18 years of age but above 12 can be allowed to do certain tasks depending on the nature of the job as specified by law. Global Compact emphasized that the companies should abolish child labour because it is damaging to a child's physical, social, mental, psychological and spiritual development because it is work performed at too early an age. This deprives children of their childhood and their dignity. Children are deprived of an education and may be separated from their families.

Furthermore, children who do not complete their primary education are likely to remain illiterate and never acquire the skills needed to get a job and contribute to the development of a modern economy. As a result, child labour results in under-skilled, unqualified workers and jeopardizes future improvements of skills in the workforce.

Child labour is likely to damage a company's reputation. Economic exploitation of children can damage a brand image and have strong repercussions on profit and stock value (UN Global Compact, 2010).

Discrimination in respect of employment and occupation should be eliminated by the businesses. This simply means treating people differently or less favourably because of characteristics that are not related to their merit or the inherent requirements of the job. These include: race, colour, sex, religion, political opinion, national extraction, social origin, age, disability, HIV/AIDS status, trade union membership, and sexual orientation. Discrimination leads to social tensions that are potentially disruptive to the business environment within the company and in society. If there are discriminatory practices in the business, especially in employment and occupation, the company denies itself access to talents from a wider pool of workers, and thus skills and competencies.

Discrimination creates resentment and hurt which will affect the performance of individuals and teams in the company. Gradually, young graduates and new employees also increasingly judge companies on the basis of their social and ethical policies at work. Discriminatory practices result in missed opportunities for the development of skills and infrastructure to strengthen competitiveness in the national and global economy. They separate an employer from the wider community and can damage a company's reputation, potentially affecting profits and stock value (UN Global Compact, 2010; Jones et al., 2007).

Businesses should support a precautionary approach to environmental challenges. Precaution refers to the systematic application of risk assessment (hazard identification, hazard characterization, appraisal of exposure and risk characterization), risk management and risk communication. When the business suspects any harm the decision-makers need to apply precaution; here, they have to consider the degree of uncertainty that appears from scientific evaluation. It is more cost-effective to take early action to ensure that irreversible environmental damage does not occur (UN Global Compact, 2010). For example, Delloitte in their environmental report specified their responsibility towards the environment and the

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importance of taking the necessary steps to minimise the negative impact our business operations and services have on the environment (Delloitte, 2014).

Moreover, businesses should undertake initiatives to promote greater environmental responsibility; the role of business is to increase self-regulation, guided by appropriate codes, charters and initiatives integrated into all elements of business planning and decision-making and fostering openness and dialogue with employees and the public. This means that businesses have the responsibility to ensure that activities in their own yard should not cause harm to the environment of their neighbours; businesses are also expected by society to be good neighbours. Legitimacy of the business is gained through meeting the needs of society, and increasingly society is expressing a clear need for more environmentally sustainable practices. Thus, the business should assess their environmental impact and conduct risk assessment, technology assessment and life cycle assessment, as well as reporting on the corporate environment and sustainability (UN Global Compact, 2010; King 111 Report, 2009).

The UN Global Compact (2010) encourages businesses to adopt the development and diffusion of environmentally friendly technologies. This involves the use of technologies that protect the environment, are less polluting, use all resources in a more sustainable manner, recycle more of their wastes and products and handle residual wastes in a more acceptable manner than the technologies for which they were substitutes. This may include a variety of cleaner production processes and pollution prevention technologies as well as end-of-pipe and monitoring technologies. Additionally, they can be considered total systems including know-how, procedures, goods and services and equipment as well as organisational and managerial procedures.

Environmentally sound technologies can be useful in reducing day-to-day operating inefficiencies, emissions of environmental contaminants, worker exposure to hazardous materials and risks of technological disasters. The application of this principle can benefit the businesses in that the company will reduce the use of raw materials leading to increased efficiency. The business can create new business opportunities and help increase the overall competitiveness of the company through

technology innovation. The business can also sustain the long-term economic and environmental benefits (UN Global Compact, 2010; Williams, 2008; Jones, 2007).

According to the Global Compact (2010), businesses should work against corruption in all its forms, including extortion and bribery. This principle was based on the desire to realize a more transparent global economy. Corruption can be described as an abuse of entrusted power for private gain be it either a financial gain or non-financial advantages. Extortion refers to an act of asking or enticing another to commit bribery and becomes extortion when this demand is accompanied by threats that endanger the personal integrity or the life of the private actors involved. Bribery refers to an offer or receipt of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust, in the conduct of the enterprise's business.

In order for a business to fight corruption UN Global Compact (2010) suggested that businesses can introduce anti-corruption policies and programs within their organisations and their business operations. Secondly, a business can communicate or report on the work against corruption on an annual basis to the relevant regulatory bodies and share experiences and best practices through the submission of examples and case stories. Lastly, a business can join forces with industry peers and with other stakeholders (Global Compact, 2010; Williams, 2008; Jones, 2007).

This principle is important for sustainable business because corruption hinders sustainable development with a disproportionate impact on poor communities. Considering the private sector, corruption impedes economic growth, distorts competition and represents serious legal and reputational risks. It is also costly to the business as the business has to pay more in order to do business in that particular area. Corruption is also unethical in nature as it misuses power and position, undermines the integrity of the parties involved and damages the image of the organisation (UN Global Compact, 2010; King 111, 2009; Jones, 2007).

Birch (2008) proposed the following principles of corporate citizenship, namely: Development of a culture where everyone in the organisation should be responsible beyond their particular job, interactive communication should be part of the business

language so that the business can engage in interactive communication with its communities, the business should use its local knowledge to enable it to contribute beyond what is generally considered to be core business, the business should also find ways that will minimize the separation between the business supposed private culture and the public culture in which it functions; business should go beyond compliance, the people involved in the business should be empowered, it must also seek to effect cultural change in business through education and not just mandating, think ethically and not just operate ethically. Ownership for the relevant staff should be created, and the business should also make sure that everyone in the business is able in some way to contribute to the creation of new value and be recognised and rewarded for it (Birch, 2008:134).

2.2.6 Conditions necessary for corporate citizenship

The first condition of CC is that businesses because they are the citizens should share social responsibility as they enjoy the high quality of life and combine self-interest and ethics through the social contract. The corporations are expected to contribute to the society in a business-like manner where the society and the business will benefit; examples are when the firm reduces the environmental impact by producing or designing products in ways that reduce the use of raw materials or the firm is better able to attract good employees because of its good social Image, or ethical investment fund that enables a bank to attract fresh capital from households. This condition is not always met due to the harsh business world, the economic interests of a firm and the possibility that the values of the society can also be negatively correlated (Jeurissen, 2004).

Another condition of CC is that CC is institutionally determined by how the external environment of a company sets the conditions for its socially responsible and sustainable policies. So each society is characterised by specific economic, political, social and cultural institutional patterns. According to Jeurissen (2004), CC is determined by the competitive market conditions at the economic level. Political conditions either stimulate or hinder CC. Socially, the CC condition depends on the stakeholder exposure and stakeholder activism. At the cultural level, the societal values can either stimulate or discourage CC (Jeurissen, 2004: 91).

Corporate Citizens and companies are interested in adequate legal institutions and compliance with the law (Jeurissen, 2004: 92). Jeurissen (2004) claimed, as social citizens, companies rely more strongly on the law to motivate responsible conduct due to the competitive market conditions in which they operate. The stakeholders can increase the conditions of CC for the companies through promoting favourable external conditions and the companies by using their power, but this is difficult for the companies due to the tight market conditions which limit their opportunity for exercising CC. This power can be increased by the companies through stakeholder dialogue and through increased transparency and sustainability reporting (Jeurissen, 2004; King 111 Report, 2009; UN Global Compact, 2010).

The companies can strengthen the participatory ethics of business by understanding the positive feedbacks on the interactions among the conditions of CC to their advantage. In the business case for participatory ethics of business, the company can strengthen the consumer demands for sustainable products by educating the consumer groups, and improving relationships with stakeholders through social dialogue and close cooperation, while the government authorities can contribute to the social approach of the company, thus improving its long-term conditions for profitability and growth. The company can secure its long-term competitiveness by assuming moral responsibility (Jeurissen, 2004).

2.2.7 The importance of corporate citizenship

Corporate citizenship refers to the role of a company in addressing the issues that have a dramatic impact on the future of the globe (Schwab, 2008). Corporate citizenship goes beyond the corporate philanthropy, including social investing in corporate social responsibility; and corporate social entrepreneurship in the sense that it focuses on civic responsibility and the businesses have to contribute and sustain well-being in co-operation with the government and civil society. It also contributes to enhancing the sustainability of the marketplace (Schwab, 2008). However, Hambolu and Abdullahi (2008) emphasized that the focus of corporate citizenship is mainly on social impact, economic impact and environmental impact.

Ethical behaviour benefits the business because it attracts the customers to the firm's products, thereby enhancing the sales and profits. The employees would want to stay in the business which fact reduces the staff turnover, and then increases productivity. Attract more employees who want to work in the business as this can attract talented workers and reduce recruitment costs; also attract investors and keep the company's share price high which protects the company from takeover (Cadbury Schweppes, 2002; UN Global Compact, 2010; King 111 Report, 2009).

According to Yasser (2011), CC can bring the following benefits: better reputation management, risk profile and risk management, employee recruitment, motivation and retention, investors' relationships and access to capital, learning and innovation, competitiveness and market positioning, operational efficiencies, and licence to operate. Companies that take corporate citizenship seriously can improve their reputation and operational efficiency, while reducing their risk exposure and encouraging loyalty and innovation. Overall, they are more likely to be seen as a good investment and as a company of choice by investors, employees, customers, regulators and joint venture partners.

Financial performance of the firm has been linked with CC as well as the employee commitment and customer loyalty. Employee commitment is made when the employees see themselves as fond of the organisation and see their future tied to the organisation and are willing to make personal sacrifices for the business unit. CC can encourage employee commitment by meeting the employees' demands in the workplace, addressing issues such as protection of the environment or integration of minorities that are of concern to the society in general and thus also to the employees. The more proactive the CC in the firm the greater the commitment of the employees would be. CC was also seen as boosting the performance levels which in return leads to profit growth (Maignan et al., 2001).

The other benefit of CC is that the organisation can build up its image when engaged in the activities of CC such as those that are legal i.e. monitoring and addressing the implementation of compliance, social activities such as monitoring philanthropic donations, and coordinating family work programs (Maignan et al., 2001).

2.2.8 The measurement of corporate citizenship

CC can be measured through the Triple Bottom Line model. This model includes the economic approach which is making products and profits at a reasonable cost; environmentally preserving and enhancing natural resources and ecosystems; and socially improving the quality of life enjoyed by employees, residents and society at large. Furthermore, CC can be measured using the Fourth Bottom Line approach that measures transparency and accountability in corporate governance to ensure corporate integrity in operations and in reporting to investors. However, the Returns on Social Investments approach can measure CC. This consists of a meaningful set of metrics which should reflect informed decisions about which elements of citizenship performance are most essential to the firm and to the society in which it operates – such metrics will express value judgments, not just technical ones (Cavanaugh, 2005).

Other measurement models of CC are: Performance measurement which entails attaining goals; compiling data about compliance to standards. Comparative measurement consists of processes such as benchmarking against peers; evaluating the firm's performance in the light of the performance of similar firms and results measurement which refers to activities of converting resources into results; analyzing efficiency and effectiveness in terms of social impact (Cavanaugh, 2005).

The literature reviewed above indicated that for CC to be in place, the company, business, corporation or organisation should conduct its activities in an ethical manner, and thus its business ethics should also comply with the laws, standards, rules and regulations that are in place for that particular industry. It was also found that corporate or organisational culture plays a key role. A business should educate and train those who are involved in the business or organisation so that the performance or productivity, image and reputation can improve. What the business, company or organisation does should be reported and disclosed to the relevant bodies. The researcher will now discuss these variables in depth.

2.3 SOCIAL AXIOMS

2.3.1 Definition of social axioms

Social axioms are defined formally as "generalized beliefs about oneself, the social and physical environment, or the spiritual world, and are in the form of an assertion about the relationship between two entities or concepts". Various structures exist and they may be casual or correlational (Leung et al., 2002: 289; Leung and Bond, 2004; Joshanloo et al., (2010). Social axioms are social because they refer to the social world rather than oneself. Social axioms are axioms because they refer to basic premises that people endorse, rely upon and use axiomatically when making sense of the social world and choosing how to behave in it. It holds that people actively observe their material, interpersonal, social and spiritual universe, gauging its opportunities and constraints and evaluating its reinforcement contingencies (Leung and Bond, 2004; Leung et al., 2002).

Through a process of continual observation, assessment and construal, people learn generalised beliefs about the social world and behavioural outcomes in it. People often express these social axioms consciously and unconsciously in their behaviour (Bond and Leung, 2009). Social axioms guide behaviour in the broad domains of social interaction and problem-solving and play a central and organising role in people's belief systems. However, these could be used in guiding the behaviours of the taxi owners and their employees, more especially when deriving the CC strategies that could be implemented by the entire taxi industry.

Leung and Bond (2004) argue that social axioms are universal because they assist in confronting universal problems of survival and functioning of individuals and groups. Several authors identified four major functions of social axioms, namely;

- social axioms facilitate the attainment of important goals (instrumental),
- help people protect their self-worth (ego-defensive),
- serve as a manifestation of people's values (value-expressive), and
- help people understand the social and physical world (knowledge).

Social axioms play a central and organising role in people's belief systems and their major function is to enhance the survival and functioning of people in their social and physical environment (Leung et al., 2002:289).

According to Leung (2002), these general beliefs are pitched at the high level of abstraction; they are context free and related to a wide spectrum of social behaviours across diverse contexts, actors, targets and time periods. They serve as basic premises that people endorse and rely on to guide their actions (Leung and Bond 2004). According to Bond (2004) and Singelisi et al. (2003), these beliefs are assumed to be true as a result of personal experience and socialisation.

The background of the social axioms derives from axioms of mathematics and they serve as the basic premises that people endorse and use as a guide to their behaviour in daily living. These axioms vary across individuals, reflecting personal experiences of individuals (Bond et al., 2004:552-553).

2.3.2 Dimensions of social axioms

For the benefit of the present study, two cultural dimensions that emerged from ecological analysis will be discussed. These two cultural dimensions are dynamic externalism and societal cynicism.

2.3.2.1 Dynamic externality

Dynamic externality emphasises the proactive mobilisation of psychological resources by people, as individuals and group members, to confront environmental constraints and difficulties. The outcomes of this simplistic struggle with external forces are influenced by a Supreme Being and fate. The emphasis on effort and control gives this construct a dynamic quality, while elements of religiosity and fate give rise to its externality (Leung et al., 2002).

Cultures high on dynamic externality expect the collective to reward fair, altruistic and caring behaviour and to provide role clarity and rules for fairness in individual and group relations. Dynamic externality relates positively to embeddedness,

hierarchy, power distance, conservatism, and negatively to indices of human development. In the organisational context, it promotes reliance on vertical sources of guidance. However, Burgess (2011), Chen et al. (2006), Zhou and Leung (2008) argue that dynamic externality is positively related to the factors of humane orientation, in-group collectivism, uncertainty avoidance, and future orientation.

Dynamic eternality is composed of social complexity, reward for application, fate control and religiosity (Bond et al., 2004:556; Bond and Leung, 2009). Social complexity refers to a general belief that the complexity of people and social interactions impedes rigid rules in life, instead requiring procedural flexibility; people high on social complexity expect inconsistencies in human behaviour to present in many ways to achieve a given outcome in social relations (Burgess, 2011; Chen et al., 2006; Zhou and Leung, 2008). In simple terms social complexity refers to the general belief in multiple ways of achieving a given outcome and agreement that human behaviour is adjustable across situations (Bond et al., 2004: 550-553).

This dimension is a learned orientation for forward adaptation problems typically faced in one's society and reinforced or not by the utility of solutions attained through divergent thinking. Social complexity suggests that there are not only rigid rules, but rather multiple ways of achieving a given outcome and the apparent inconsistency in human behaviour is common. For example, an item asserts: "people may have opposite behaviours on different occasions" (Leung and Bond, 2004).

Reward for application can be explained as a general belief that effort, knowledge and careful planning will lead to positive results. This dimension is an assessment of anticipated returns for investing in one's physical and social environment. Reward for application represents a general belief that effort, knowledge, careful planning and investment of other resources will lead to positive results and help avoid negative outcomes. For example; "hard working people will achieve more in the end" (Leung and Bond, 2004; Burgess, 2011; Chen et al., 2006; Zhou and Leung, 2008).

However, according to the definition of CC, each individual business has an obligation to fulfil towards the betterment of society and to sustain the communities in which it operates. To do good for society is necessary for every individual. In the taxi

areas such as hard working people will achieve in the end. This might encourage the taxi industry to work hard so that they will be rewarded for their hard work. This is encouraging them to put more effort into what they do. This might encourage the implementation of CC within the whole industry.

Fate control refers to a belief that life events are predetermined and that there are various ways for people to influence these fated outcomes. This dimension is a cognitive coping response to varying levels of negative outcomes. The fate control dimension represents the belief that life events are predetermined and that there are certain ways for people to influence the outcomes. An example is "fate determines one's successes and failures" (Leung and Bond, 2004). Moreover, fate control is a general belief that impersonal and external forces determine life events, but people can influence outcomes (Burgess, 2011; Chen et al., 2006; Zhou and Leung, 2008).

Spirituality or religiosity refers to the belief in the reality of a Supreme Being and positive functions of religious practice. This dimension is a response to the issue of cosmological order and individual meaning in the world. Religiosity asserts the existence of supernatural forces and the beneficial functions of religious belief. For example "there is a supreme being controlling the universe" (Leung and Bond, 2004). According to Burgess (2011), Chen et al. (2006), and Zhou and Leung (2008), religiosity refers to a general belief that a Supreme Being exists and that religious beliefs and institutional practices can be beneficial to society.

In the study conducted by Jing (2014: 618) regarding religiosity, he found that while nonbelievers generally neither believed nor disbelieved in the existence of a supreme being, they did believe that religion has some positive effects—providing a meaning to life as well as helping to keep moral standards. Religious and spiritual beliefs are noticeable in all cultures. These beliefs impact on a variety of behaviours, such as career choices and leisure time activities, as well as choice of friends and associates (Leung et al. 2002). The cognitive component is the belief in God or a divine figure, the affective component is the emotional connection of the individual to the sacred or religious, and the behavioural element is the practice of the religion's rituals (McGuire, 2008).

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Some of the composite measures to tap the cognitive, affective and behavioural dimensions of religiosity include; the frequency of religious service attendance and other practices (e.g. prayer and meditation), the importance of religion, and the religious or spiritual feelings of the respondents. Non-believers usually do not have a specific faith, religious behaviours, or an emotional connection with a religious figure. Nevertheless, non-believers still have their own special views, emotions, and behavioural patterns toward religion; these can be said to constitute their religiosity (Jing, 2014).

Based on the above discussion, dynamic externalism must be increased in the taxi industry when fostering CC. This would assist in maintaining moral standards which are the key to CC. However, it has been explained from the literature that religious beliefs are beneficial to society and if increased or encouraged in the taxi industry would promote or encourage CC.

2.3.2.2 Social cynicism

According to Bond et al. (2004b: 550-553), social cynicism refers to a negative view of human nature, a view that life produces unhappiness, that people exploit others, and a mistrust of social institutions. The dimension of cynicism is a response to the variable human capacity for deception. These authors further argued that social cynicism is a negative view of human nature as it is corrupted by power: a biased view against some groups of people; a mistrust of social institutions and disregard of ethical means for achieving an end. For instance, consider a belief statement "kind-hearted people usually suffer losses" (Leung and Bond, 2004). According to Burgess (2011), Chen et al. (2006), and Zhou and Leung (2008), social cynicism concerns a mistrust of social institutions and disregard of ethical means for achieving ends in life. It refers to generally negative expectations about human nature, outcomes of interactions with others and social institutions.

According to Leung et al. (2002), societal cynicism reflects primarily cognitive assessments of the world as mean-spirited, unworthy of trust and rife with malevolence; anxiety about the motives of people, groups and institutions; and a belief system that powerful people and institutions oppress the citizenry for selfish

and malignant purposes. Societal cynicism is associated positively to survival values. Societal cynicism is commonly high when human development is low. This suggests that in order to foster CC in the taxi industry, societal cynicism should be decreased. This is supported by the argument that in the presence of societal cynicism human development is low which would hinder CC.

Bond et al. (2004) suggest that certainty is idealised when societal cynicism is high, because it is associated with a benevolent environment. Striving for high performance is emphasised less, due to the general expectation of negative outcomes and suspicion of social systems as untrustworthy (Burgess, 2011; Chen et al., 2006; Zhou and Leung, 2008).

Normally, social cynics would find themselves in a challenging position when they have to deal with conflict resolution as this involves mutual trust which is lacking in cynical people (Singelis et al., 2003). It has been found by Singelis et al. (2003) that social cynicism is characterised by low interpersonal trust, and this is as a result of the general belief that the other will exploit you if the opportunity to do so arises.

However, this suggests that societal cynicism should be minimised in the taxi industry when cultivating CC. The reason for that would be the lack of interpersonal trust that is vital when working with people of different communities as well as mutual trust which serves as a prerequisite when building social contracts and social partnerships.

However, Bond et al. (2004) argued that people tend to pursuit self-interest, and that those who subscribe to a cynical position about social life are motivated to pursue their self-welfare. The people high in social cynicism, when they are trying to cope with situations, tend to believe that their problems are caused by social institutions and others who impede their personal progress. These feelings are associated with wishful thinking and distancing.

Bond et al. (2004) argue that people normally encounter the situations where they apply what they know about the world in general when making decisions about how to act. Therefore, social axioms are applied beliefs to solve real life challenges and

determine the behaviours of people. Similarly, in the taxi industry, they use general beliefs based on their expectances on how to act in certain situations. This is important for determining corporate citizenship amongst taxi people. They have to act responsibly and apply these beliefs in fostering the corporate citizenship in the industry. On the basis of the above discussion about the social axioms, the taxi industry must reduce social cynicism when practising the activities of CC.

2.4   HUMAN RESOURCE MANAGEMENT (HRM)

2.4.1   Definition of HRM

HRM is a function that is responsible for all the programs, policies, and practices that firms apply to manage employees. The activities of HRM involve managing employees and job-related services such as recruitment, selection, development, payroll, benefits, employee relations and legal issues (Alagaraja, 2012: 118; Wood and Wall, 2002). HRM has systems and these systems are sophisticated selection methods, appraisal, training, teamwork, communication, empowerment, performance related pay and employment security. HRM systems contribute to the skills and knowledge within the organisation and the employees' willingness to deploy their learning to the benefit of the organisation (Wall and Wood, 2005: 430).

2.4.2   The role of HRM in an organisation

HRM practices have a universal effect on organisational performance, enhance the organisational performance regardless of the conditions and are additive, meaning the more the better. HRM has been also linked with total quality management and as integral to the effectiveness of the lean production initiative. For HRM to be effective it has to be aligned with organisations' strategy or competitive strategy. In that way HRM is crucial in organisational performance. The way the organisation manages its workforce could be positive or negative towards the OP. High performance work practices have to be adopted by the organisation when managing their employees in order to improve performance (Wall and Wood, 2005: 430-431).

HRM puts more emphasis on the impact of the HRM practices, policies and systems on the financial success of the organisation (Alagaraja, 2012:132). It has been assumed by researchers that HRM practices enhance the organisational performance, in that these practices are treated as a unique and sustainable advantage because they result in skills and knowledge that are largely specific in that particular organisation and therefore difficult and not very easy to imitate by competing organisations (Wall and Wood, 2005: 430).

However, Katou (2009) argued that HRM policies could play an important role in building organisation's human capital pool by developing its rare, unique and non-substitutable internal resources. The reason for this is that HRM policies have a direct impact on employee attributes such as skills, attitudes and behaviour which are the outcomes of HRM used to measure the HRM on its organisational performance.

According to Purcell et al. (2003) and Lepak et al. (2006), HRM systems for employees which reflect the ability to perform, like selection, training, and performance appraisal, influence the employees' skills (their competences as well as cooperation), are the HRM systems for employees' motivation to enhance performance.

Vermeeren et al. (2014: 175), argued that the employees are crucial to the organisational performance because high quality services require highly qualified and motivated personnel. Wright et al. (2003) claimed that HRM systems could influence organisational performance as well as turnover, productivity and corporate financial performance and concluded that HRM systems have cross-sectional consequences. However, Wall and Wood (2005: 432) suggested that more attention should be given to the HRM practices that are of immediate interest to the employees because it is clear how the HRM practices influence the organisational performance. They further explained that HRM systems for an organisation could be used as an opportunity to improve organisational performance and this has resulted according to Cooper (2000) in saying HRM and profitability are linked.

Wall and Wood (2005) suggested that in order to be sure about whether the HRM practices or systems affect organisational performance, the HRM should be audited independently, preferably by an external HR Auditor. This Auditor would assess the extent and effective use of HR practices without which they would not have knowledge of how the organisation is performing.

Another significant factor when determining a company's business performance is the provision of full mobility and focusing the entire staff on achieving the joint interests of the company as a whole. An organisation should build an adequate motivation system. Efficient functioning of the company's motivation system is conditioned by the capability of the company's managerial structure to use management as a creative process and direct activities to achieving the company's goals. This implies coordinating the activities of organisational segments, that is fields of responsibility, and controlling each one's contribution to the company's overall results and taking into account the fact that motivated employees have better performances. A group of motivated employees in the organisational segment of the company produces better performances (Gajic and Medved, 2010: 73).

HRM must be developed at all levels of individuals and teams if the organisation wants to achieve improved performance. HRD (Human Resource Development) is vital for organisational performance and this refers to the individual and team processes, structuring interventions as well as training, learning and development. HRD focuses on the humanistic, holistic and systematic approach and on learning and the performance at the level of an individual, team and the organisation (Alagaraja, 2012:132).

HR for the taxi owners refers to the people who are employed to drive their vehicles and render service to the passengers and they pay the drivers wages. The taxi drivers should earn a decent wage but the problem is that, for them to earn a wage, they need to transport a certain number of passengers per day. The taxi industry should appropriate the reward systems so as to motivate and challenge the employees (taxi drivers).

The taxi owners should make use of good HRM practices when they are hiring these employees, and the recruitment process should be structured. These employees are bringing in their driving skills. They need to be developed and they need to be motivated just like the employees in other organisations so as to improve their performance. In order to retain the competent employees or drivers the proper HRM practices and policies should be in place. It becomes expensive in terms of money and time for the owners to replace drivers. In other words the best HRM systems for the taxi owners should be place, and they should further provide the necessary training to the drivers by making use of the services made available by the Sector Education and Training Authority (SETA) called Transport Education and Training Authority (TETA).

It is vital therefore for these taxi drivers to know their rights and responsibilities in terms of legislation and general labour relations practice. However, labour in the taxi industry has always been poorly managed and organised and is largely ignorant of its rights.

Matters of importance in the HRM of the taxi industry are the understanding and knowledge of labour relations and the workers' need to be educated with new legislation and be made aware of the rights of labour and the implications of the new legislation. The taxi owners need to have the organisational capacity to implement the systems and processes to establish good standards. In terms of dismissals, these occur often in this industry and there is no job security although there are labour unions (of which the membership is not encouraged) in this industry, but every union membership is clouded by the fear of dismissal.

The taxi industry is a business which carries out its business in the communities and therefore should pay close attention to the matters that concern these communities and respect the rights of the other individuals there, especially in the workplace. Taxi owners should not be involved with child labour, but instead should seek a way of assisting the children to receive education.

2.5   OPERATIONS MANAGEMENT (OPM)

2.5.1   Definition of operations management

Kriel (2003) defined operations management as the way organisations produce goods and services. This is done by devising processes which transform the state of something to produce outputs. In this process a set of input resources are used to transform something into outputs of goods or services which satisfy the needs of customers. Kamauff (2010), however, described the operations function as a business function responsible for the activities and processes that transform the inputs into outputs for the customers' finished goods and services; this entails the design and the control of systems responsible for the productive use of raw materials, human resources, equipment and facilities in developing goods and services. These activities need to be managed and this is called operations management which deals with planning, sourcing and purchasing, inventory management, production management, marketing and sales, distribution, supply chain management, quality management, and management information systems.

Sanders (2014) has defined operations as the management of the business function responsible for managing the process of creation of goods and services. Operation functions involve planning, coordinating, and controlling all the resources that are needed to produce a company's goods and services. Operations also involves managing people, equipment, technology, information and all other resources needed in the production of the goods and services. However it is a central core function of every business and is applicable to every business be it small or big, every industry it is in, and whether it is manufacturing or a service or for profit or not for profit.

2.5.2   Role of operations management in an organisation

According to Kamauff (2010), the operations function involves planning, implementation of the plan and monitoring the processes. The planning can only be successful if all stakeholders are involved. It is, however, important to consider the cost versus quality of the inputs and the outputs for a good product that will give

value to the customers. These are important in the sense that the firm cannot have highly priced products and expect to exist or enjoy high profits for the long run. These should be priced in an affordable manner. This information can be communicated with the marketing and sales team in determining what the customers want or need, and if they prefer quality over cost or cost over quality? At all times the operations team need to strike a balance between cost and quality.

Kamauff (2010) also suggested that a properly managed supply chain can be beneficial to the operations function. The reason for this is that the inputs need to reach the relevant people at the right time and when they are needed; this process should run smoothly to avoid product delays.

The operations function deals with the development, execution and maintenance of effective processes related to activities done to achieve the specific goals of the organisation; it also encompasses services. However, well-designed operations enhance profitability, while poor operations can drive the firm out of business where the processes are not properly managed and the resources are wasted. Thus, operations need to be managed with competence in order to meet the strategic goals and make sure of the financial survival of the firm or the organisation (Anderson et al., 2013).

2.5.3 Operations management in the taxi industry

In the taxi industry as a service business, the operations function is responsible for the planning of commuting for the passengers to their destinations and back to where they come from, so that the operations function plans and coordinates all the resources necessary to design the delivery of such services. This function involves the transformation process where the inputs such as the raw materials are transformed or converted into the finished products and services and these are the products that the firm or business produces and sells to the final consumers. The inputs include among other things the human resources like the workers, staff and managers; also included are facilities and processes such as buildings and equipment; as well as materials, technology and information. The transformational role of the operations management team in the taxi business occurs when the

passengers and their luggage are transported from one location to another (Sanders, 2014).

Sanders (2014) argued that the operations function is the engine room of the organisation through its transformational role. The operations management is therefore responsible for the activities and the decisions that affect the product design and delivery problems. The amount of the material resources consumed to manufacture goods and deliver a service is influenced by the design and management of the operations in an organisation. OM assists the organisation to ensure that there would be enough inventories to produce the quantities that are needed to be delivered to the customer, and make sure that what has been made is indeed what the customer wants. Sanders (2014) further explained that most of these decisions might be costly and that when organisations want to improve performance as well as the financial bottom line they would go to the operations function.

The same applies in the taxi industry where the service of transporting passengers is taking place on a daily basis that is a transformational process according to the above explanation. Decisions should be taken of where and when the passengers would be commuted; this includes the design of the routes to be travelled by the taxi and distance to be travelled so the passengers might be delivered timeously. The resources needed to carry out this service cover driver, fuel, and equipment such as fire extinguishers, jack, and spare wheel. The taxi owner or operator should arrange the above resources before carrying forward with the task of carrying passengers to make sure that they deliver the expected service to their customers.

2.5.4 Operations management and supply chain

The operations function should work together with the other business functions such as the marketing function, finance and purchasing functions. The marketing function determines what the customers need at a specific time and quantity. They gain this information through research and development. This information would be made available to the operations department so that they produce the required goods or service in correct quantities (Sanders, 2014).

In the taxi business this should also be considered in terms of the type of vehicle that would service a particular group of passengers and to determine the size of the vehicle needed to carry the passengers so that they run their service effectively and efficiently in a cost-effective manner. Also the taxi industry requires the specific times when these passengers need to be transported so that they are delivered to where they want to go at the right time.

Sanders (2014) further explains that the operations function should also work closely with the purchasing function. The purchasing function places orders for the required materials and quantities, including cost and quality as well as the available sources of supply and lead times. This should be done quickly to avoid the bottlenecks where some material might arrive late and put the whole operation at a standstill. The operations department requires a full understanding of what the customers want and must be in a position to ensure that sourcing obtains the materials needed at the right time and the right place to support the product design and alternative material options.

The operations department in taxi industry must understand their purchasing requirements regarding fuel, tyres, and spare parts so that they ensure that the passengers receive the service without delay. They need to know the suppliers of various part of the vehicle in order to have vehicles always on the road. This is important because if the parts arrive late or are delayed or of poor quality, the service would be delayed and passengers would not trust them to get them to their destinations. This happens when the type of vehicle is poor and has numerous breakdowns resulting in delivering the passengers very late to their destinations. If the operations function of the taxi business is poorly managed they suffer excess costs of repairing their vehicles or even loss of business for the time a vehicle is still waiting for spare parts and repairs.

The taxi industry must have full understanding of their operations that should be carried out to preserve the environment. They must maintain their vehicles, keep them free from oil leakages and spreading fuel on the road which causes pollution and damages the environment. They should learn to act responsibly and manage

waste as well as possible. When they are carrying out their service noise pollution should be avoided and they should respect the other citizens.

2.6   MARKETING MANAGEMENT

Marketing deals with choosing target markets and getting, keeping, and growing customers through creating, delivering and communicating superior customer value. Once this objective has been achieved, the optimum performance of the organisation would be reached.

2.6.1   Definition of marketing

Marketing has been defined by different authors as a function of the organisation and as a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organisation and its stakeholders (Wilkie and Moore, 2007). The old-style definition of marketing entails the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organisational objectives (Wilkie and Moore, 2007: 269).

Wilkie and Moore (2007) in their review on how well marketing is defined, suggested that marketing could be defined as an activity conducted by organisations and individuals, that operates through a set of institutions and processes for creating, communicating, delivering and exchanging market offerings that have value for customers, clients, marketers and society as a whole (Wilkie and Moore, 2007: 275). Shultz (2007) of the American Marketing Association defined marketing as a form of constructive engagement which is a societal function and a systemic set of processes for creating, communicating, and delivering value to customers and for managing customer and societal relationships in ways that benefit local and global stakeholders of the processes.

However, Shultz (2007) revealed that marketing especially macro marketing as an amalgam of markets, consists of marketing practices and marketing systems, aggregations in the form of units, consumers, firms, governments or other

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organisations, societies, regions, countries and global alliances; social traps and commons dilemmas; sub-specialisations that address competition and markets, development, ethics or distributive justice, global policy, the environment, history, and quality of life.

Marketing, however, has been described by Cant et al., (2006), as the combination of management tasks and decisions that are aimed at meeting the opportunities and threats in a dynamic environment in such a way that its market offerings lead to the satisfaction of customer's needs and wants, to achieve the organisation's objectives as well as the objectives of the customers and society.

2.6.2 Role of marketing management

The key players in marketing are the marketers, consumers and the government entities. These entities are meant to facilitate the maximal operations of the marketing systems for the benefit of the society through public policy decisions. The responsibility of the marketing system towards society is to deliver the best standard of living for the citizenry and also create a marketplace dynamism that nurtures and supports continual innovation and improvement so that the standard of daily life is enhanced in due time (Wilkie and Moore, 2007: 273).

The marketing systems are a set of structures and practised activities that are normally developed in an infrastructural sense. This involves buying and selling, planning, employment, capital investment, movement, production, risk taking and financing and these take place with the expectation of transactional exchanges that occur to fuel the system's continuing operation (Wilkie and Moore, 2007: 273).

Marketers interact with the consumers, competitors and society at large; another role of marketing is to direct the enterprise towards better performance and also act as the voice of the customers (Wilkie and Moore, 2007: 274).

2.6.3 Activities of marketing management

Marketing activities involve the selection of the target market, segmentation of the market and choosing the organisation's position in the market.

2.6.3.1 Target market

The role of the marketing function in an organisation is to choose the market that the organisation will serve and this is known as the target market. Target market refers to the customers to which the organisation wants to sell its products and services. When choosing the target market it is essential for the organisation to know the behaviour of the customers which is the behaviour displayed by the customer in searching for and in purchasing, using, evaluating and disposing of the products and services that they expect to satisfy their needs. This covers what they buy, why they buy it, when they buy it, where they buy it and how often they buy it (McDonald and Wilson, 2011).

Customer behaviour is influenced by factors such as cultural, social and personal factors. Cultural factors determine a person's wants and behaviour acquired through socialisation processes with family and other key institutions. Social factors refer to social influences as a result of interaction with the environment and the personal factors refer to factors that influence the overall decision-making process of the customer from need recognition to receiving a stimulus and to post-purchase behaviour (Shah, 2010).

2.6.3.2 Market segmentation

According to Ward (2008), the organisation must examine the people who are likely to be the organisation's clients or customers and redirect their marketing strategies towards achieving or meeting such perceived target clients. This is called market segmentation which is a technique used to divide the customers who have similar needs into groups. Biasi (2011) argued that the purpose of market segmentation is to channel or focus the message to a specific client. Market segmentation has certain benefits for the enterprise and Riley (2010) highlighted these benefits as; matching

customer needs more proficiently, increasing business profits, providing opportunities for growth, putting the organisation in a better position to retain customers, allowing business to focus on their target market and increasing the market.

Market segmentation is the process of dividing the potential clients or customers according to various factors such as consumer preferences, purchasing power or lifestyle. However, market segmentation should enhance customer satisfaction and increase profitability. In that part of the market the business owner should concentrate on different customer needs to ensure the satisfaction of customers, identification of new marketing opportunities and guiding principles for the development of marketing strategies for numerous market segments (Mokhampanyane, 2003: 31).

Mokhampanyane (2003) suggested that the market can be segmented in different ways such as geographic segmentation, psychological segmentation, demographic segmentation and behavioural segmentation. Geographic segmentation is when the market has been divided by the physical location, psychological segmentation refers to the segmentation done on the basis of the lifestyle choices, demographic segmentation refers to segmentation on the basis of quality choices made, whereas behavioural segmentation is done on account of the behavioural patterns of clients and customers.

2.6.3.3 Segmentation of the taxi industry

It is, however, vital for the taxi owners to segment their market and give serious consideration to the size, purchasing power and measurable potential profit of the segment (Mokhampanyane, 2003: 31). In SA for the taxi industry the market is divided according to the nine provinces such as the Eastern Cape, Northern Cape, Western Cape, Mpumalanga, Kwazulu Natal, Gauteng, North-West, Free State and Limpopo. The taxi owners choose from these areas and target them according to the size and population.

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2.6.3.4 Market positioning

The other important key factor in marketing is the positioning of the market which refers to customer expectations of the brand, product and the service in a specific market segmentation; this differentiates how the business services and products differ from those of the competitors. The elements of market positioning are, for example, pricing, quality, service, distribution and packaging (Pencak, 2012).

Therefore it is important for the taxi industry to provide quality service to the customers once they have decided on the position they want to occupy in the market. The marketers of the taxi industry should plan the positions that will give their service the greatest advantage in the selected target markets. It is however known that the taxi industry is best positioned for the convenient and fastest mode of transport (Mokhampanyane, 2003: 31).

Market positioning can benefit from the implementation of CC. This is about delivering what the customers want. And it is clear that customers want the companies to behave as good citizens. For example, in the UK it has been discovered that the customers think that British companies should pose only minimum standards of labour conditions for their developing world suppliers; some believe that social responsibility is important in their purchasing. In one survey of customer attitudes towards CC which involved 25 000 individuals in 26 countries, it was found that more consumers form their impression of a company on the basis of its CC practices rather than on brand reputation or financial factors. In this case, about 60 percent cited labour practices, business ethics, responsibility to society at large, or environmental impact as factors that influence their views of companies. So CC plays a significant role in increasing the market positioning of the company (Little, 2002: 6).

2.6.4 Elements of marketing mix

Khan (2014), Wolfe and Cortts (2011), and Riaz and Tanveer (2008) described marketing mix as the set of controllable marketing tools used by a company for creating a desired response in the targeted market. They argue that the marketing

plan is formed by these elements, in other words they are used as the basic tools or components in marketing planning. Some authors refer to these elements as the 4Ps (product, price, place of distribution and promotion). They are also known as the primary ingredients of marketing strategy and as a means of translating marketing planning into practice (Khan, 2014: 95). However, Goi (2009) further expanded these elements to product planning, pricing, branding, channels of distribution, personal selling, advertising, promotions, packaging, display, serving, physical handling, and fact finding together with analysis.

2.6.4.1 Product

According to Khan (2014), product refers to the item or service being marketed, through its features, quality, benefits and quantities. Goi (2011) refers to the product as some good or service that a company offers in the market. This is anything that can be offered to the customer for attention, acquisition or consumption and satisfies a need or want. This includes physical objects, services, persons, places, organisations or ideas. In this case the marketers build an actual product around the core product and an augmented product around core and actual product.

The authors referred to core product as the problem-solving services or the core benefits that the customers gain from buying and utilising the product, while the actual product refers to parts, level of quality, the product design, features, brand name, packaging and other features that are combined in order to deliver the core benefits. Augmented products reflect the benefits associated with the additional benefits and services around the core and actual product that can be guarantees, after-sale services, installation and attention to customer complaints (Goi, 2011; Muala and Qurneh, 2012).

The term 'service' refers to the main or core service which represents the core benefit; and the secondary services denote both the tangible and augmented product levels. This can be explained in terms of the manner of delivery of the particular service. The product is the vital element of the marketing mix strategy where retailers could offer distinctive features that differentiate their product from their competitors.

Normally, product or service quality, design, features, brand name and sizes characterize the product or service. The way the product is accepted by the customer is based on the product quality and design. The performance can be enhanced through the pre- and post-sales service which is an important part of the product package. The firm's profitability and market share positions both in domestic and export markets can be enhanced through the broad product lines (Goi, 2011; Muala and Qurneh, 2012).

2.6.4.1.1 Products and services offered by the taxi industry

The taxi industry offers a public passenger service to the customers by taking them to different locations. This is differentiated by the way this service is done, for example; service should be welcoming, friendly, worthwhile and with hospitality that should be offered by the taxi drivers and owners to the passengers. When rendering the service the taxi industry should incorporate a culture that demonstrates the above features. The types of service offered by the taxi industry range from a feeder service to line- haul service and long-distance services.

Feeder service refers to the service of picking up passengers from their residential areas or bus terminals and train stations or taking them from bus terminals or stations to the residential areas. Line-haul service refers to the operations done on the major commuter routes that run between locations and places of work and back. A long-distance service refers to transporting passengers to other towns, for example transporting passengers from Port Elizabeth to Johannesburg (Mokhampanyane, 2003).

In rendering service they make use of small vehicles that can carry four passengers and one driver and mini-bus taxis that can take between ten to eighteen passengers at a time. These taxis are not branded; they do not have specific identification features that could make a passenger distinguish them from a distance. It is very important to distinguish one service from those of other competitors and individual private vehicles. The branding represents a name, sign, symbol and design or a combination of these (Mokhampanyane, 2003).

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A unique identification could assist the taxi industry to be recognised by the target market, providing more competitive advantage by being more attractive and clean than those of their competitors.

2.6.4.2 Price

The second element of the marketing mix is the price. This is a very important element that will determine the satisfaction of the customer and price is the actual value of the product or service that is perceived by the customer (Virvilaite et al., 2009). Authors like Nakhleh (2012) described the price as the amount of money that the customers are willing to pay which differs from customer to customer as their needs differs. However, Goi (2011) and Muala and Qurneh (2012), referred to the price as the price of the product varieties and lines, the changes in price as well as the payment methods. This is the amount of money charged for the product or service or the total value that the customer exchanges for the benefit of using or having the product or service. The customer has to pay a certain price to acquire a product or service and this is the cost of a product to a customer.

The choices of the customers are affected by the price charged for the product or service, and for that reason price is significant. Normally price is set in relation to the other three Ps. It is the responsibility of pricing in the marketing mix and is the only mix which generates a turnover for the organisation. To produce or design goods and services costs the organisation some money as well as that charged to distribute a product or service and to promote them; therefore, the other three Ps are a variable cost for the organisation and price must support these elements of the mix. It becomes very difficult for the organisation to do pricing which must reflect the supply and demand relationship (Muala and Ourneh, 2012).

Pricing a product or service is very important for the organisational performance because if the product or service price is too high or too low this could lead to a loss of sales for the organisation which could impact turnover negatively. When doing pricing fixed and variable costs, competition, company objectives, proposed positioning strategies, target group and willingness to pay should be taken into account. It is normal that higher prices lead to higher profitability. At the same time

setting higher prices may increase only short-term profitability, but may lead to lower sales and profits in the long run (Muala and Ourneh, 2012).

The efforts of selling, advertising and maintaining product quality can be reimbursed or substituted through price, also in an alternative way; other activities in the marketing mix program could be reinforced through price. Price could be used as an incentive to intermediaries and company salespeople, as the focus of promotional strategy, and a sign of value. In other words, price plays a central role as a purchasing determinant as well as in post-purchasing processes (Muala and Ourneh, 2012).

A consumer perception of the price is considered to be important when observing the buying behaviour and product or service choice, this being merely due to the intangible nature of services and the fact that price serves as an essential quality indicator. Customers always select their service provider by the price they perceive especially when there is a lack of information about the product or service and when a choice to return to the service provider is affected by comparing the service received and the price, which normally indicates the value for their money (Muala and Ourneh, 2012).

However perceived, higher prices normally affect the purchase probabilities of customers negatively, which has a direct influence on customer satisfaction, the possibility of switching, also the likelihood of recommendation to others. Therefore, a customer often switches mainly due to the high price perceived or unfair or misleading pricing practices. Price perception by the customers must be carefully managed especially by service firms so that they can increase their customer satisfaction, and this could be done through, for example, carrying out attractive pricing, offering reasonable prices mix, or lower prices without decreasing quality (Muala and Ourneh, 2012).

2.6.4.2.1 Pricing strategies

Khan (2014) has identified various pricing strategies which could be used by an organisation or the firm, such as cost-based pricing, break-even pricing, customer

value-based pricing as well as competition-based pricing. With cost-based pricing strategy the price is set by adding a mark-up to the cost of the product. Cost-based pricing strategy is more relevant when the firm's prices are not too high as compared with the competition. Break-even pricing strategy is used when firms determine the price at which they can recover manufacturing and marketing costs, or make a targeted profit. Competition-based pricing strategy is applied when a firm sets prices in accordance with the competition. These prices are mainly constructed on the prices of the competitors. Customer-value based pricing strategy prices the product based on the perceived value of the product. This could be done by finding the perceived value of the competitors' product by the customers as compared to the perceived value of the firm's products.

2.6.4.2.2 Price setting in the taxi industry

The taxi owners and managers as well as the entire taxi industry should set their prices accordingly; taking into account all the costs involved and making use of the pricing strategies available. The taxi owners and their managers should consider the willingness of the customers to pay, and the pricing of their competitors when they do pricing. This would assist them not to price the service too high or too low. If their prices are too high the customers would switch to the other cheaper modes of transport like the buses and trains. If then the prices are too low the taxi owners would not be able to breakeven and as a result they would run their business at a loss. Prices of fuel and spare parts are increasing tremendously; therefore the taxi owners should adjust their fare prices in order to accommodate these costs.

2.6.4.3 Promotion

Promotion has been defined by Muala and Qurneh (2012) and Goi (2011) as a selling technique and in order to succeed in any marketing program it should be combined with communication. They further defined promotion as sales promotion, advertising, personal selling, public relations and direct marketing. Promotion informs potential customers of the many choices available regarding products and services. The benefits of service and of product use need to be communicated clearly to the target market so that the product or service may be successful, other than that no

one will know about the benefits of buying and using a product if there is nothing said about it or them. A communication program provides needed information and advice, persuading target customers of the merits of a specific product, and encouraging them to take action at specific times.

2.6.4.3.1 Promotion strategies

An organisation's promotional strategy consists of activities such as sales promotion, advertising, sales force or personal selling, public relations and direct marketing. These could stimulate or influence the consumer's way of thinking, their emotions, their experience as well as their purchasing. Marketers should design their communication in such a way that it offers consistent messages about their products and is placed in media that consumers in the target market are likely to use. The product advertisement can be conveyed by individual sales people, TV, radio, internet, magazine, press, and all types of media (Muala and Qurneh, 2012; Goi, 2011).

Promotion strategy could be implemented by an organisation, such as advertising, personal selling and sales promotion or trade promotion. Advertisements are used as an influential tool to generate strong associations with brands; they are made through the non-personal demonstration of goods and service, and, for instance, television adverts. In a personal selling strategy, a firms' representative meets customers face-to-face to sell a product. The sales representative comes to know customer needs deeply and insight is more personalized and detailed. Sales promotions or trade promotions are just incentives to enhance sales, for instance discounts or samples. Sales promotions are done for various reasons such as to build strong and lasting relationships with the customers whereas trade promotions aim at distributors and retailers so that they can buy large volumes and advertise the product continually (Muala and Qurneh, 2012; Goi, 2011).

The organisation benefits from the created, communicated, delivered and exchanged market offerings. The societies as well do benefit from the marketing in that they receive the market offerings, such as products and services that add value to them and also benefit from the communications done about the available products and

services on the market and the delivery thereof as it gets the goods to the end user consumers. This in turn benefits the organisation as the sales for their products or service would increase and thus the increase in turnover as well as the profitability as the customer loyalty rises (Wilkie and Moore, 2007: 275).

According to Shultz (2007: 299), marketing could only yield benefits to the organisation if the organisation is willing to set off short-term cost with long-term benefits in raising policies and practices because the marketing process necessitates greater understanding of the historical and cultural forces at both political and managerial level. When the marketing function prepares its planning for the marketing activities, it makes use of the elements of the marketing mix. These elements are now called the 7Ps; being the product, price, place of distribution and promotion, personnel, process and physical evidence.

Maignan and Ferrell (2001) argued that the corporate citizenship does not yield concrete business benefits for the business even if the society desires the corporate citizenship and very little is known about the business value of corporate citizenship. They further asserted that corporate citizenship may assist the organisations to market themselves and their products to both external and internal customers.

The marketing function has been seen from the literature reviewed as an essential element in improving the organisational performance. Even for the taxi industry this is no exception. The owners and taxi operators need to involve the marketing function when conducting their business starting from segmenting the market, identifying their target market and positioning their market. They should conduct market research on how they could satisfy their customers (passengers) and work on the ways to improve. They should apply the elements of the marketing mix starting from type of service they are offering, pricing their service that they offer to their passengers and promoting their service to the customers. In order to improve their service they should enlist the activities of marketing such as promotion, advertising, and communicating their services to the potential consumers. This service has been taken for granted by this industry; hence, there are strong emerging operators. This opens the gap for increased competition which will soon take them out of business.

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2.6.6 Importance of marketing in an organisation

Wilkie and Moore (2007) emphasised how important the marketing function is to organisational performance in that marketing comprises the coordinated system of special capabilities at work to design and implement marketing programs. They argued that there are sectors involved in different spheres, such as industrial sector in the sphere of being suppliers of raw materials, machinery, financing and labour to the firm. In the other sphere, there is administrative work to be done in offices such as accounting, management, operations, research and development and other functions operation.

The other area involved is the consumer market with millions of potential end users of the products or services. The first connection is in the firm's offices to the market, then the channels of distribution with the wholesalers and retailers where the physical goods flow. Then the money flows back from the market through the channels to the firm's offices which enables the firm to continue its operations for a long time and this is not just called accounting or finance, rather they call marketing the "lifeblood of the business". After that, the information and influence flow, in the outward flow and the inward flow. These products flow up to the end users' market directly. This is the role that the salespeople play in generating the desire for the product in the consumer market place (Wilkie and Moore, 2007).

Another corresponding flow is the flow of information and influence from the consumers in the marketplace and channels to the firm, indicating the role of marketing and consumer research in guiding the marketing planning and adjustments in representing the voice of the customer to the firm. Various functional roles emerge from the above analysis, for instance the advertising personnel, salespeople, market researches, distributors and retailers (Wilkie and Moore, 2007).

Furthermore, Goi (2009) argued that the marketing mix is very important in an organisation because it makes marketing seem easy to handle, permits the separation of marketing from other activities of the firm and the delegation of marketing tasks to specialists; and these can change a firm's competitive position. Secondly, marketing mix is an important tool used to enable one to see that the

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marketing manager's job is, in a large part, a matter of trading off the benefits of one's competitive strengths in the marketing mix against the benefits of others.

2.7   FINANCIAL FUNCTION

Financial management is, according to Riley (2012), the management of finances of the business or organisation in order to achieve its financial objectives.   These objectives are the creation of wealth for the business, generating cash and providing an adequate return on investment, bearing in mind the risk that the business is taking and the resources invested (Riley 2012). Financial management for the taxi business should be managed properly in order to achieve the financial objectives of the business.

2.7.1   Definition of financial function

Srinivasan et al. (2013) defined finance function as the essence of a business or a firm. They emphasised efficient handling of the finance function and defined it as the management of finance or a function of the business unit in order to realise the objective of the function in an efficient manner. The role of the finance function is the mobilisation and use of funds by a firm or business. It deals mainly with the procurement of funds and the careful use of funds with a view to realising the objective function of the firm more effectively (Srinivasan et al., 2013).

2.7.2 Role of finance function

Roles of the finance function include the following: the procurement of funds from short-term and long-term sources such as banks and financial institutions, and the mobilisation of funds through the financial instruments like the debentures or commercial papers. It deals with the compliance of legal provisions in relation to procurement and distribution of funds, and also the orientation of the finance function with the accounting function. It is also responsible for the issue of shares and debentures, formation, liquidation, mergers and expansion of firms (Srinivasan et al., 2013).

The finance function is also responsible for the effective and efficient utilization of funds with the objective of the firm in mind accompanied by the expectations of the suppliers of such funds. This function further deals with the acquisition of assets needed to accomplish the firm's objectives and how these assets are financed. Over and above these responsibilities, the finance function is also responsible for the investment decisions that is the commitment of funds to various assets or financial assets such as shares, debentures, bonds, term deposits, or even fixed assets like land and buildings, plant, equipment and machinery, and furniture as well as the current assets like the inventory, debtors, marketable securities, cash and bank balances (Srinivasan et al., 2013).

2.7.3 Key elements of financial management

The key elements of a financial management include the following; financial planning, financial control and financial decision-making. Financial planning is the planning for funding both in the short term and long term. These funds should be made available at the right time when they are needed for the business and the needs of the business are met. The short-term funding involves the funding to purchase equipment and stocks, pay the employees and fund sales made on credit. In the long term, funds are needed for the additions to the productive capacity of the business and to make acquisitions. Financial planning deals with output planning, budgeting, cost-benefit analysis, regulatory impact analysis (Riley 2012).

Financial control is essential to make sure that the business is meeting its financial objectives by determining whether the assets are being used efficiently as well as securing the assets of the business and also whether the management actions are in the best interest of the shareholders and in accordance with the business rules. In the financial control function the financial systems are put into place as well as the financial reporting requirements, preparation of annual reports and reviews. Financial decision making relates to investment, financing and dividends. Investments need to be financed as well, and also whether the business should retain profit or distribute it to the shareholders (Riley, 2012).

These elements are applicable to the taxi industry as well, where the taxi business must plan for the finances of the organisation, for the short term and the long term, and they need to acquire the vehicles necessary for the rendering of the service to their customers. Output planning is vital for the survival of the taxi business, especially the budgeting and analysis of costs involved in the carrying of their service. This has to be done by comparing the costs involved against the income generated; these costs are, for example, the overall overhead costs of their operations, and costs of the labour involved. These costs will assist the taxi owners to set their prices (taxi fare) accordingly. By all means, the operating costs of taxis need to be minimised as much as possible so that they realize profits in their businesses. Minimising the costs would also assist the taxi owners to have a positive cash flow and meet their business expenses.

The financial control unit would also assist the taxi owners to put financial control measures in place; these would be their internal control measures. The control part of the finances could assist the taxi owners to meet the reporting requirements of the legislation also they would be able to prepare their annual reports and reviews. Full understanding of the regulations in relation to the financial management of any business is therefore also necessary for the taxi industry. They should also set the systems in place to record their transactions

2.7.4 Objectives of the finance function in an organisation

The primary objective of this function is profit maximization. Every institution seeks to make profits among the things done in pursuit of the business objective. This supports the view that the business is an economic activity and attempts to maximise the utility value to the benefit of the owners. This utility value is normally measured in terms of profits. This function also maximises the socio-economic welfare of the firm, and provides the incentive to face competition and a motive force to attain growth. Furthermore, the finance function seeks to maximise the wealth which is the net present value of the stream of net benefits obtained from a sequence of actions (Srinivasan et al., 2013).

Just like any other business, in the taxi industry the operations are executed in order to maximise the profits, and also the utility value of the owners of the taxis. The taxi industry should also seek to maximise the socio-economic welfare of the business being operated.

2.7.5 Financial management activities

According to the analysis done by ICAEW (2011), the finance function renders the following activities: accounting services, compliance with the regulations, management and control, strategy and risk management, funding as well as the organisational activities. Accounting activities involve the recording of the financial consequences of the organisational activities and have obligations and benefits. Accounting activities entail transaction processing where actual recording takes place such as recording the cash obligations, payments and receipts in an accounting system. In this activity the accounting and reporting must be properly done. Also the financial control seeks to protect the assets and to make sure that financial transactions are accurately recorded and reported, including activities such as setting the internal policies, reconciling external statements and monitoring payment of invoices.

Compliance activities strive to meet the requirements of government and other regulatory bodies such as tax laws. This is done in order to make sure that the organisation covers the range of activities necessary to produce, communicate and verify the financial information to meet the legal and regulatory requirements. They do this by completing the statutory accounts and through the activities that demonstrate to external parties that governance and control procedures meet externally set standards (ICAEW, 2011).

Management and control activities are performed to produce and use financial and support information, and to inform and instigate operational actions to meet organisational objectives. These include activities such as processing to produce and analyse the information for management and control purposes, application of the information produced, internal auditing as well as the management accounts (ICAEW, 2011).

Strategy and risk activities are conducted to inform, influence development and implement strategy and manage risk. Why strategy? For the organisation to successfully implement a strategy, it needs sufficient financial resources and organisational performance is normally measured through financial performance. Risk management is undertaken to avoid any financial losses that may arise from the actions taken by the organisation such as the cost reduction programmes and diversifying into new business (ICAEW, 2011).

Yazdanfar and Ohman (2014) emphasized the importance of the proper management of working capital, which consists of managing cash, inventory, and accounts receivable and affects a firm's short-term financial performance which in turn impacts the entire firm's profitability. The working capital management simply refers to the management of cash conversion cycle, which involves management of inventory, accounts receivable and accounts payable. If these are managed efficiently and effectively, that would put the firm in a better position better to control the firm's short-term investments, which affects the risk, profitability and the firm's value (Charitou et al., 2010).

However, for a taxi business to increase their CC the financial management must be improved and the above mentioned activities do apply to them as well as they generate funds from their activities, which must be properly managed and comply with the regulations that govern the handling of cash. The cash generated should be recorded accurately and such information should be made available for scrutiny. Currently the industry is being transformed into a formal business and is expected to contribute tax to the receiver of revenue SARS (South African Revenue Services).

2.8 CHAPTER SUMMARY

In this chapter, corporate citizenship was discussed in detail as well as the benefits of the CC in an organisation. Seemingly, the taxi business cannot escape this social obligation, just like any other business. Social axioms or dimensions, namely dynamic externalism and societal cynicism were explained. It was also explained that when fostering CC in taxi businesses their dynamic externalism must increase and social cynicism must decrease.

Furthermore, four business functions of an organisation which must be improved when fostering CC in the SA taxi industry were explored as well as how the taxi businesses can better understand and apply them in day-to-day operations. These include financial management, human resource management, and marketing management, as well as operations management. The way these functions could be improved in the SA taxi industry was also discussed.

CHAPTER 3

THE METHODOLOGY OF THE STUDY AND EMPIRICAL RESULTS

3.1   INTRODUCTION

A literature review relating to social axioms such as dynamic externalities and societal cynicism as drivers of corporate citizenship as well as the organisational performance as measured by the human resource, finance, operations and marketing functions were discussed in Chapter 2 so as to put the current research into perspective. In this chapter the researcher provides an outline of the research design methodology used in the study. The details of the research paradigm, the sample used, pilot group, and measuring instrument are specified. Furthermore, the researcher discusses the reliability and validity of the measuring instrument. The method used in the collection of data is explained as well as the process of collecting the data.

3.2 RESEARCH METHODOLOGY

Welman et al. (2005: 2) and Collis and Hussey (2009: 3) describe a research project as the process of obtaining or investigating scientific knowledge through systematic, appropriate methods and procedures of collecting and analysing data to address a particular topic or problem statement. Research is a methodical process of inquiry and investigation so as to increase the knowledge of the researcher (Collis and Hussey, 2009). According to Redman and Mory (2009), research is systematized effort to gain new knowledge. Collis and Hussey (2009) suggested that the research should be conducted in a systematic manner and in accordance with the appropriate methods to collect and analyse data and should be properly organised.

However, Collis and Hussey (2009:73) defined methodology as an approach to the process of research, encompassing a body of information, and they defined a method as a technique for collecting and analysing data. Walter (2006) explained methodology as a frame of reference for the research which is influenced by the paradigm in which the theoretical perspective is placed or developed. However,

MacKenzie and Knipe (2006) suggest that methodology is the overall approach to research linked to the paradigm or theoretical framework, while the method refers to systematic modes, procedures or tools used for the collection and analysis of data. Research methodology has been found by Williams (2011), as the way to find out the results of a given problem on a specific matter or research problem.

3.3 RESEARCH PARADIGMS

The research paradigm applicable to the problem should be chosen by the researcher as each research paradigm entails different research techniques and assumptions in support of the objectives formulated. A research paradigm has been defined by Collis and Hussey (2009: 55) as a philosophical framework which guides how the scientific research should be conducted. This philosophical framework focuses on how the data will be collected, analysed and used during the research. Various authors suggested different types of data collection methods and classified them into primary and secondary data. Primary data are data generated from the original source and classified into four categories, namely experiments, questionnaire surveys, interviews or focus groups. The secondary data are data that have been collected from existing sources, for example, publications, databases and internal records (Collis and Hussey, 2009:23).

Collis and Hussey (2009:56) identified two main research paradigms or philosophies such as the positivistic approach or quantitative method and the phenomenological approach or qualitative method and they are discussed below:

3.3.1 The positivistic approach

According to Collis and Hussey (2009), the positivistic approach searches for the facts or causes of social phenomena, thus applying logical reasoning to the research with much emphasis on objectivity, precision and rigour. The positivistic approach is based on the assumption that social reality is objective and not affected by the act of investigation. The research under the positivistic approach involves a deductive process with a view to providing explanatory theories to understand social phenomena. In other words, theories provide the basis of explanation, permit the

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anticipation of phenomena, predict their occurrence and therefore allow them to be controlled. Such explanation consists of establishing causal relationships between the variables by establishing causal laws and linking them to a deductive or integrated theory.

Welman et al. (2005:6) suggest that a positivistic approach holds that the research should be limited to what the researcher can observe and measure objectively, and this means that the research should exist independently from the feelings and opinions of an individual. This approach is also known as the quantitative approach (Welman et al., 2005). According to Weaver and Olson (2006), positivistic approach emerged from the philosophy identified as logical positivism and based on inflexible rules of logic and measurement, truth, absolute principles and prediction.

The positivistic approach is based on quantitative techniques (Collis and Hussey, 2009). Quantitative techniques share a philosophical foundation with the positivist paradigm (Weaver and Olson, 2006). Quantitative data refer to data collected in a numerical format which does not investigate the processes but puts more emphasis on the measurement and analysis of causal relationships between the variables within the value free context (Collis and Hussey, 2009:63; Welman et al., 2005:8).

It involves larger numbers of samples or cases and the analysis of results is done through statistical methods. It is however, focused more on reliability that is a consistent and stable measurement of data and also replicability. This approach is mainly concerned with the testing of hypotheses. The data are highly specific and precise and the reliability is high (Collis and Hussey, 2009). Furthermore, the key advantage of the positivistic paradigm or quantitative approach to data collection is the relative ease and speed with which the research can be conducted (Collis and Hussey, 2009).

3.3.2 The phenomenological approach

The phenomenological approach is also referred to as an interpretive approach which is inductive in nature as the researcher directly relates what is observed and

subsequently tries to interpret, understand and explain the observations as the research moves from the specific to the general (Collis and Hussey, 2009).

According to Mertens (2005), interpretivism seeks to understand the world of human experience and contends that reality is socially constructed. Creswell (2003) argued that the researcher normally relies upon the participant's view of the situation being studied and recognises the impact on the research of their own background and experiences. Interpretivists generate or develop a theory or pattern of meanings throughout the research process (Creswell, 2003:9). It often relies on qualitative data collection methods and analysis or a combination of qualitative and quantitative methods.

TABLE 3.1: DIFFERENCES BETWEEN QUANTITATIVE AND QUALITATIVE RESEARCH

Quantitative Research	Qualitative Research
Data are analysed using statistical data analysis techniques	Data are analysed using interpretive techniques
Reliability is high and validity is low	Reliability is low but the validity is high
The sample results are generalized to the population.	The findings are generalised from one setting to another similar setting
Numerical data format is used and is precise and objective	Non-numerical or nominal data format is used and is subjective and rich
Operate numbers that represent empirical facts to test an abstract hypothesis	Generate new concepts and theory by combining empirical evidence and abstract hypothesis'
Analysis of data begins after all the data have been collected	Normally analysis of data begins as soon as research begins
A standardised set of data analysis techniques is chosen.	Makes use of data analysis techniques according to approach
Makes use of deductive process to test previously specified theory	Uses inductive process to formulate theory
It is associated with positivist paradigm	It is associated to interpretive paradigm

Source: Adapted from Collis and Hussey (2009) and Welman (2005)

The phenomenological paradigm uses small samples and is concerned with generating theories. The data are rich and subjective and the reliability is low (Collis and Hussey, 2009). This paradigm often follows the qualitative data collection method that entails processes and meanings that are not thoroughly examined or measured but refer to qualities and non-numerical characteristics such as images and words.

The aims of the qualitative approach are to establish the socially constructed nature of reality, to emphasise the relationship between the researcher and the object under study as well as to stress the value-laden nature of reality (Welman et al., 2005:8). It involves small samples of people and is concerned with the validity of the data. It is characterised by unstructured interviews and detailed observation processes in order to gain better information about the views of the subject (Welman et al., 2005:8). The current study follows the positivist approach as it is relatively simple and faster than the interpretivistic approach.

3.4 THE RESEARCH DESIGN

The research design has been described by Collis and Hussey (2009:113) as a set of planning procedures for conducting a project to arrive at the most valid findings and can be used as a guide and focus for the research process. Bertram and Christiansen (2014:40) described research design as a plan of how the researcher will systematically collect and analyse the data needed to answer the research question. They further explain that it is the designed and planned nature of observation that distinguishes research from other forms of observation.

The current study is a quantitative one of the South African taxi industry. The researcher employed a positivistic research design and methodology to achieve the objective of this study. This involved the following phases:

The first phase: The conceptual phase was characterised by formulation of the research question, the objectives and the purpose of the study. Then the literature review was done to become familiar with the content of the literature.

Second phase: This phase involved the research design and planning of the study. The researcher used the data collection instrument and the sample was formed from the participants.

Third phase: At this stage the empirical part of theresearch study involved the actual data collection, analysis and interpretation of data. The data collection occurred using the questionnaire which was given to each participant to complete. Data analysis started when questionnaires were collected back by the researcher.

3.5 THE SAMPLE

The sample is made up of some of the members of the population. A sample is an unbiased subset that is representative of the entire population under study. A population may be referred to as a body of people or any other collection of items under consideration for research purposes. Randomly selected samples often represent a good sample, which must be large enough to satisfy the needs of the investigation being undertaken and must be unbiased (Collis and Hussey, 2009).

Two major categories of different sampling techniques have been identified by Welman et al. (2005) as probability sampling and non-probability sampling. In probability sampling, the probability that the element or member of a population will be included in the sample, in other words the probability of selecting each member of the population is known (Welman et al., 2005:56; McMillan and Schumacher, 2006:119). The probability sampling methods include, for example, simple random sampling, systematic sampling, stratified random sampling and cluster sampling.

McMillan and Schumacher (2006:125) and Welman et al. (2005:56-67) assert that non-probability sampling does not include any type of random selection from a population, meaning that specific probability cannot be specified. In this case the researcher uses subjects who happen to be accessible or who may represent certain types of qualities. Therefore, non-probability sampling methods include convenience sampling, snowball sampling, purposive or judgemental sampling and quota sampling (Welman et al., 2005: 68-69; McMillan and Schumacher, 2006:125-126).

In this study a convenience sampling method was used to select 96 participants from a possible targeted sample. The sample was chosen due to convenience, and with consideration of the cost and time required to select a sample. The sample included the directors of the taxi associations or organisations, their senior managers, managers and taxi drivers as administered by one large organisation in the Eastern Cape called the Eastern Cape Bus and Taxi Business Chamber (ECBTBC).

3.5.1 The selected organisation

Various taxi associations and one large organisation based in the Eastern Cape that combines all the taxi associations in the Eastern Cape were selected for the purposes of this study. ECBTBC is responsible for the administration of the transportation of passengers to various destinations in SA.

3.5.2 Geographic demarcation of the study

The ECBTBC fully operates in all 23 districts of the Eastern Cape and associations take the passengers all around SA. The present study covered the following districts: Butterworth, Cofimvaba, Cradock, Dutywa, East London, Fort Beaufort, Graaff Reinet, Grahamstown, King Williams Town, Lady Frere, Libode, Lusikisiki, Maluti, Mbizana, Mt Fletcher, Mt Frere, Mthatha, Ngcobo, Port Elizabeth, Queenstown, Qumbu, Sterkspruit and Uitenhage.

A questionnaire was sent for completion to one hundred directors of different associations, deputy directors, senior managers, managers, taxi owners and taxi drivers. Only ninety-six (96) questionnaires were returned, constituting a 96% response rate.

Figure 3.1 shows that 87% of the respondents were males (84 out of 96 respondents) and 13% were female. The results indicate that the taxi industry is still dominated by the male; gender equality is not yet practical. This shows that this industry is male dominated and there might be barriers for females trying to enter the industry.

FIGURE 3.1: RESPONSE RATE BY GENDER
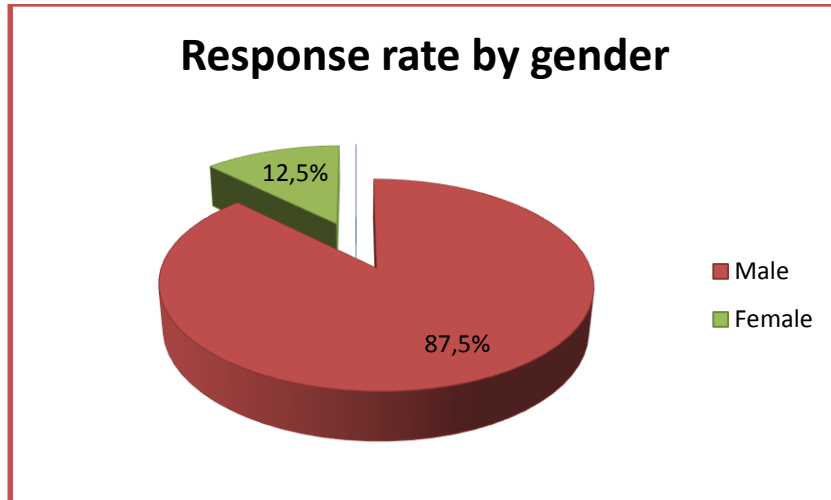
Table 3.2 depicts the demographic composition of the sample.

TABLE 3.2: DEMOGRAPHIC COMPOSITION OF THE SAMPLE: GENDER AND AGE

Gender	Number of responses	Percentage of responses
Male	84	87.5
Female	12	12.5
	96	**100.0**
Age group		
20-29	15	15.6
30-39	18	18.8
40-49	22	22.9
50-59	33	34.4
60+	8	8.3
	96	**100.0**

Figure 3.2 indicates that 15 of the respondents were aged between twenty to twenty-nine years, 18 were in the thirty to thirty-nine years old age group, 22 were between forty and forty-nine years, 33 were between fifty and fifty-nine years and eight were over the age of sixty. This translated to 15.6%, 18.8%, 22.9%, 34.4% and 8.3% percent respectively. According to the abovementioned age group profile, this illustrates the maturity of the participants in the taxi industry, but shows little less diversity of maturity levels in the industry.

The age gaps offer an opportunity for the members to impart ideas and also learn from each other especially from the age group of fifty to fifty-nine years. This group as well as from those above the age of sixty could transfer skills and expertise, with the older members transferring skills and expertise to the young and the younger members sharing new ideas.

FIGURE 3.2: RESPONSE RATE BY AGE GROUP

Response rate by age group

■	20-29
■	30-39
■	40-49
■	50-59
■	60+
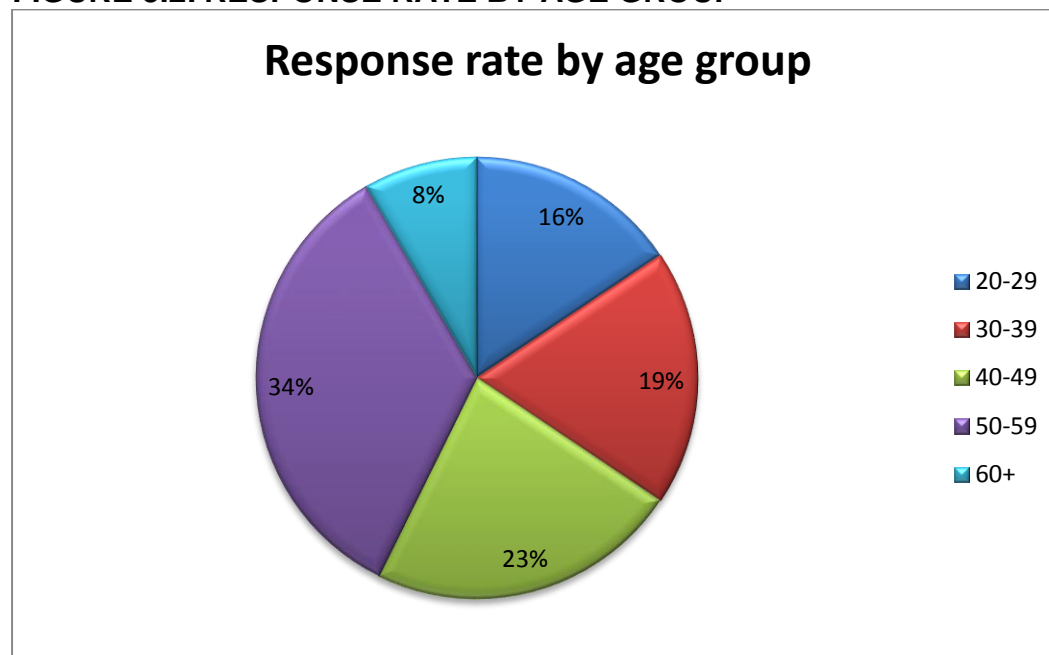
The Table below (Table 3.3) indicates that the majority of the respondents have not obtained matric, followed by respondents who have obtained matric, then diploma and lastly one with degree qualifications. The response rate for those who did not obtain matric was 51%, matriculants 39%, diploma qualifications 9% and 1% with a degree qualification.

In relation to job title, out of ninety-six respondents 31.3% represented the taxi drivers, 27.1% the taxi owners, a combined 25% represented the managerial office (categorised into senior managers and managers) and 16.6% represented the directorship office (classified into director and deputy director).

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TABLE 3.3: DEMOGRAPHIC COMPOSITION OF THE SAMPLE: EDUCATION AND JOB TITLE

Education	Number of responses	Percentage of responses
Below matric	49	51.0
Matric	37	39.0
Diploma	9	9.0
Degree	1	1.0
	96	**100.0**
Titles		
Director	13	13.5
Deputy director	3	3.1
Senior manager	12	12.5
Manager	12	12.5
Taxi owner	26	27.1
Driver	30	31.3
	96	**100.0**

Out of the 96 respondents, 24% had tenures ranging between five and nine years, 24% had job tenures at their current employer of less than five years, 20.8% had job tenures ranging between fifteen and nineteen years, 15.6% had job tenures over twenty years and 15.6% had job tenures ranging between ten and fourteen years with the current employer.

Out of the 96 respondents, 24% had experience ranging between five and nine years, 21.9% had experience ranging between fifteen and nineteen years, 20.8% had less than five years' experience in their current position or profession, 17.7% had experience above twenty years and 15.6% had experience between ten and fourteen years. The Table above indicates that the sampled participants have enough experience in their current job or profession. This kind of experience is crucial for the organisation to sustain its competitive advantage in the perpetually evolving business environment. However, this can have an undesirable influence on the performance of employees as complacency might set in, leading to certain individuals in the organisation resisting change and creating comfort zones.

TABLE 3.4: DEMOGRAPHIC COMPOSITION OF THE SAMPLE: TENURE AND JOB EXPERIENCE

Tenure	Number of responses	Percentage of responses
Less than 5 years	23	24.0
5-9	23	24.0
10-14	15	15.6
15-19	20	20.8
20+	15	15.6
	96	**100.0**
Experience		
Less than 5 years	20	20.8
5-9	23	24.0
10-14	15	15.6
15-19	21	21.9
20+	17	17.7
	96	**100.0**

3.6   THE MEASURING INSTRUMENTS AND DATA ANALYSIS

Blumberg, Cooper and Schindler (2008) defined measurement as the process of assigning number to empirical events in compliance with a set of rules. Various tools in which the research data can be collected have been indicated by Collis and Hussey (2009) as structured interviews, observations, diaries, focus groups and questionnaires.

Questionnaires can be used in both positivistic and phenomenological methodologies. A questionnaire is a list of carefully structured questions that are used to obtain responses from the chosen sample. Its main purpose is to elicit what a selected group of participants do, think or feel (Collis and Hussey, 2009; Bertram and Christiansen, 2014:73).

For the benefit of the current research study, a questionnaire was used as a method of collecting data from the selected sample group. Self-constructed items as well as items sourced from previous research studies were used in the form of questions so as to validate the findings of the literature review. Closed questions were used in the

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questionnaire. According to Collis and Hussey (2009), the researcher needs to consider the following when designing the questionnaire:

- Question design – the questions asked need to be clear, concise and easily understandable.
- The establishment of respondents- this needs to be done to determine who the respondents will be representing the sample.
- Channels of distribution- there are a number of different distribution channels and each channel has its own strengths and weaknesses.
- Pilot study or test questionnaire- it is necessary to run a pilot study to test before final distribution.

There were two sections in the questionnaire, namely Section A: research questions and Section B: which captured the demographic information of the respondents, such as gender, age, education, tenure and experience.

The questionnaires were directly distributed to the participants and explained to the participants by the researcher to assist with the understanding of the questions because of language barriers as most of the target group had not completed their matric; after completion of the questionnaire in that group the researcher collected the questionnaires. The researcher targeted the participants when they held their meetings as the province is widely dispersed. For every questionnaire, a covering letter explaining the purpose of the study was attached.

The questionnaire was constructed as follows. Sixteen items were used to measure corporate citizenship which defined the degree to which businesses assume the economic, legal, ethical and discretionary responsibility imposed on them by their stakeholders (Maignan and Ferrell, 2001).

Eleven items were used to measure societal cynicism which defines the negative view of human nature as it is corrupted by power, a biased view against some groups of people, a view that life produces unhappiness, that people exploit others and mistrust of social institutions and disregard for ethical means of achieving an end (Bond et al., 2004; Leung and Bond, 2004).

Twenty-one items were used to measure dynamic externalism which defines the proactive mobilisation of psychological resources by people, as individuals and group members, to confront environmental constraints and difficulties (Burgess, 2011; Bond et al., 2004).

The Small Enterprise Development Agency (SEDA) Small Business Assessment Tool was adapted to measure the management variables investigated in this study. Fourteen items were used to measure human resource management which defines all the programs, policies, and practices that the firms apply to manage employees (Wood and Wall, 2002). Eight items were used to measure marketing management which defines a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organisation and its stakeholders (Wilkie and Moore, 2007).

Nine items were used to measure operations management which defines the activities and processes that transform the inputs into outputs for the customers' finished goods and services; which entails the design and the control of systems responsible for the productive use of raw materials, human resources, equipment and facilities in developing goods and services (Kamauff, 2010). Nine items were used to measure financial management which defines management of finance in order to realise the objective of the function in an efficient manner (Srinivasan et al., 2013).

Questionnaire statements were anchored on a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5). The STATISTICA Version 10.0 (2010) computer software program was used to conduct the statistical analyses in the study. The measuring instrument is described in Annexure B.

3.7 THE RELIABILITY OF THE MEASURING INSTRUMENTS

Reliability and validity are the main aspects in measuring the integrity of research findings (Collis and Hussey, 2009). According to Collis and Hussey (2009:204), reliability is mostly concerned with the findings of the research in that the results can

be said to be reliable if someone else repeats the research and obtains the same results.

Collis and Hussey (2009) support the concept of replication as they view the reliability and repeatability of the research findings. It is therefore very critical to prove the reliability of the study in the event of the absence of differences in the comparison of the results between the original and repeat studies.

There are various types of reliability, namely representative reliability, equivalence reliability and stability reliability. Representative reliability refers to reliability across divisions or sub-groups of people and verifies whether the results will remain the same when measuring is done amongst different groups; equivalence reliabilty exists once the same construct is measured more than once by the researcher and stability reliability refers to the reliability over time and periodically measures whether the same result is observed over different time periods (Neuman, 2006).

The objective measure of reliability which is widely used, namely Cronbach's alpha was used in the present study as a construct reliability measure (Tavakol and Dennick, 2011). The use of the Cronbach's coefficient alpha as a model measuring tool to be used in cases where participants respond to questions anchored on a Likert scale has been recommended by Thomas, Nelson and Silverman (2010).

They further explained that a 5-point Likert scale can help to increase reliability in the research. When calculating Cronbach's alphas, there is a consideration of inter-correlations amongst the test items so the closer a Cronbach's coefficient alpha is to 1.00 the higher the instrument's reliability and internal consistency. Zikmund et al. (2010) argued that a Cronbach alpha of above 0.80 is considered very good reliability, below 0.60 as poor, between 0.60 and 0.69 as fair and between 0.70 and 0.79 as good reliability.

Table 3.5 below shows the result that the instruments were very reliable with most of the Cronbach alphas above 0.70, which is good reliability according to Zikmund et al. (2013). Only CYNI produced a Cronbach alpha of 0.58, which indicates poor reliability according to Zikmund et al. (2013). After deleting measuring items with

very low item-to-total correlations (below 0.15), the Cronbach alpha was improved to 0.60, which indicates fair reliability according to Zikmund et al. (2013). Against the above-mentioned background, all the variables listed in Table 3.5 were found sufficiently reliable to include in subsequent analyses.

TABLE 3.5: CRONBACH ALPHA VALUES OF THE MEASURING INSTRUMENTS

MEASURING INSTRUMENT	ALPHA VALUE
Dynamic externalism	0.92
Corporate citizenship	0.95
Human resource management	0.94
Marketing management	0.76
Operations management	0.93
Financial management	0.89
Social cynicism	0.58

3.8 THE VALIDITY OF THE MEASURING INSTRUMENTS

Collis and Hussey (2009) suggested that validity is concerned with the extent to which the research findings accurately represent what is happening in the situation, and that means whether the data collected represent a true picture of what is being studied. According to Leedy and Ormrod (2005) the validity of a measurement tends to be valid if the instrument measures what it was supposed to measure and is more concerned with the effectiveness of the instrument.

The most common validity measurement is face (content) validity, which involves ensuring that the measures used by the researcher do actually measure or represent what they are supposed to measure (Collis and Hussey, 2009). Face or content validity is the degree to which the content of the items adequately represents the universe of all relevant variables in the study, while criterion-related validity is the extent to which the predictor is adequate in capturing the relevant aspects of the criterion or variable (Collis and Hussey, 2003:59).

Another form of validity as mentioned by Collis and Hussey (2003:59) is the construct validity, which measures characteristics, known as hypothetical constructs

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which are not directly observable, for instance motivation, satisfaction, ambition and anxiety. These hypothetical constructs are assumed to exist as factors that explain observable phenomena.

It is however important that a questionnaire statement purporting to measure a particular construct (for example, societal cynicism) does measure societal cynicism and not dynamic externalism. If the above does not happen, that particular questionnaire statement is not a valid measure of societal cynicism, because it could not discriminate between the societal cynicism and dynamic externality. Therefore, discriminant validity is a form of construct validity.

In order to assess discriminant validity a factor analysis is usually conducted. Factor analysis is required when dealing with a large sample. In the current research study, content validity was used.

3.9 THE EMPIRICAL RESULTS

It was shown by the empirical results on the reliability and validity of the measuring instrument that reliable and valid measuring instruments were used in the current study. Also, multiple regression analysis was conducted to statistically investigate the relationships among the social axioms or dimensions, i.e. societal cynicism and dynamic externalities and the organisational performance (independent variable) and corporate citizenship which was a dependent variable.

3.9.1 Multiple regression analysis

The STATISTICA Version 10 (2010) computer software program was used to analyse the data. It was used to test the relationships between the dependent variable, that is, corporate citizenship of the taxi industry and the influence of the social axioms (as societal cynicism and dynamic externalities) and organisational performance (that is financial management, human resource management, operations management and marketing management) as independent variables.

TABLE 3.6: MULTIPLE REGRESSION ANALYSIS

Statistic	Dependent variable: Corporate Citizenship					
	Value					
Multiple R	0.96425799					
Multiple R	0.92979347					
Adjusted R	0.92506045					
F(6.89)	196.45					
P	0.000					
Std. Err. Of Estimate						
N=96	b*	Std.Err. of b*	b	Std.Err. of b	t(89)	p-value
Intercept			-0.157742	0.189304	-0.83328	0.406920
DDEXT	**0.261786**	**0.065953**	**0.362476**	**0.091320**	**3.96930**	**0.000146**
HHRM	**0.409887**	**0.081422**	**0.414402**	**0.082319**	**5.03413**	**0.000002**
MMRT	-0.003145	0.064194	-0.004424	0.090308	-0.04899	0.961037
OOPM	**0.470864**	**0.098899**	**0.502471**	**0.105538**	**4.76106**	**0.000007**
FFIN	-0.124965	0.082791	-0.134920	0.089387	-1.50940	0.134738
CCYNI	-0.044165	0.033991	-0.079028	0.060822	-1.29933	0.197185

Table 3.6 shows the results obtained from multiple regression analysis. The empirical results show that corporate citizenship is positively and significantly related to dynamic externalism ($r = 0.26$, $p < 0.001$), human resource management ($r = 0.41$, $p < 0.001$) and operations management ($r = 0.47$, $p < 0.001$).

In other words, to increase the taxi owners' corporate citizenship, their dynamic externalism, human resource management and operations management must be increased.

The results also show that marketing management, financial management and social cynicism are not significantly related to corporate citizenship. This means that a

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special focus on increasing these variables will not increase the taxi owners' corporate citizenship.

3.9.1.1 The influence of social axioms (as measured by dynamic externality) on corporate citizenship

The following hypotheses were formulated:

H01: There is no significant relationship between social axioms (as measured by dynamic externalism) and corporate citizenship.

Hypothesis H1 stipulated that a social axiom (as measured by dynamic externalism) exerts a positive influence on corporate citizenship.

The empirical results show that corporate citizenship is positively and significantly related to dynamic externalism ($r = 0.26$, $p < 0.001$). The hypothesis H1 is therefore supported while the null hypothesis H01 is not supported. This suggests that in order to increase the taxi owners' corporate citizenship, their dynamic externalism must be increased.

3.9.1.2 The influence of organisational performance (as measured by human resource management) on corporate citizenship

The following hypotheses were formulated:

H02: There is no significant relationship between organisational performances (as measured by human resource management) and corporate citizenship.

Hypothesis H2 stipulated that organisational performance (as measured by human resource management) exerts a positive influence on corporate citizenship.

The empirical results show that corporate citizenship is positively and significantly related to human resource management ($r = 0.41$, $p < 0.001$). The hypothesis H2 is therefore supported while the null hypothesis H02 is not supported. This suggests

that in order to increase the taxi owners' corporate citizenship, their human resource management must be improved.

3.9.1.3 The influence of organisational performance (as measured by marketing management) on corporate citizenship

The following hypotheses were formulated:

H03: There is no significant relationship between organisational performance (as measured by marketing management) and corporate citizenship.

Hypothesis H3 stipulated that organisational performance (as measured by marketing management) exerts a positive influence on corporate citizenship.

According to the respondents, organisational performance measured by marketing management is not significantly related to corporate citizenship. The hypothesis H3 is therefore not supported, while the null hypothesis H03 is supported. This means that a special focus on increasing this variable will not increase the taxi owners' corporate citizenship.

3.9.1.4 The influence of organisational performance (as measured by operations management) on corporate citizenship

The following hypotheses were formulated:

H04: There is no significant relationship between organisational performance (as measured by operations management) and corporate citizenship.

Hypothesis H4 stipulated that organisational performance (as measured by operations management) exerts a positive influence on corporate citizenship.

The empirical results show that corporate citizenship is positively and significantly related to operations management ($r = 0, 47$ $p < 0.001$). The hypothesis H4 is therefore supported while the null hypothesis H04 is not supported. This suggests

that in order to increase the taxi owners' corporate citizenship, their operations management must be improved.

3.9.1.5 The influence of organisational performance (as measured by financial management) on corporate citizenship

The following hypotheses were formulated:

H05: There is no significant relationship between organisational performance (as measured by financial management) and corporate citizenship.

Hypothesis H5 stipulated that organisational performance (as measured by financial management) exerts a positive influence on corporate citizenship.

According to the respondents, organisational performance measured by financial management is not significant related to corporate citizenship. The hypothesis H5 is therefore not supported, while the null hypothesis H05 is supported. This means that a special focus on increasing this variable will not increase the taxi owners' corporate citizenship.

3.9.1.6 The influence of social axioms (as measured by social cynicism) on corporate citizenship

The following hypotheses were formulated:

H06: There is no significant relationship between social axioms (as measured by societal cynicism) and corporate citizenship.

Hypothesis H6 stipulated that a social axiom (as measured by societal cynicism) exerts a positive influence on corporate citizenship.

According to the respondents, a social axiom as measured by societal cynicism is not significantly related to corporate citizenship. The hypothesis H6 is therefore not

supported, while the null hypothesis H06 is supported. This means that social cynicism does not significantly influence taxi owners' corporate citizenship.

This is a good sign, as this means that the corporate citizenship of South African taxi owners is not influenced by a "negative view of human nature as it is corrupted by power, a biased view against some groups of people, a view that life produces unhappiness, that people exploit others and mistrust of social institutions and disregard of ethical means for achieving an end" (Bond et al., 2004; Leung and Bond, 2004).

3.10   CHAPTER SUMMARY

A theoretical background to the research methodology was provided in this chapter. The composition and design of the sample and the measuring instruments were also discussed.

The data collected through these instruments were tested for reliability and validity with positive results. In order to evaluate the relationship between the selected independent variable and the dependent variable, a multiple regression analysis was conducted.

The next chapter provides the analysis, interpretation and results of the empirical study.

CHAPTER 4

PRESENTATION AND DISCUSSION OF DESCRIPTIVE STATISTICS RESULTS

4.1 INTRODUCTION

Chapter 4 presents a continuation of the data analysis and the reporting of results. The descriptive statistics of the responses to individual questionnaire statements were analysed to investigate the relationships among dynamic externalism, management functions (human resource, financial, operations and marketing management) as independent variables and corporate citizenship in the taxi industry as the dependent variable.

The computer program STATISTICA Version 10 (2010) was used to analyse data. The data analysis comprised the calculation of percentages, mean scores and standard deviation per questionnaire statement. All strongly disagree and disagree responses were summarized into one unit while all the strongly agree and agree responses were condensed to form the agree responses. This was done in order to make the analysis process easy to understand and more meaningful.

4.2   DESCRIPTIVE STATISTICS

The section below presents a summary of the responses to Section A of the questionnaire. Table 4.1 to Table 4.7 summarise the respondents' perceptions of the impact of Dynamic externalism (DEXT), Human resource management (HRM), Marketing management (MKT), Operations management (OPM), Financial management (FIN), and Social Cynicism (CYN) on corporate citizenship (CITI). After that the respondents were asked to rate their levels of agreement with the statements set out in the questionnaire and relating to their organisation's departments.

TABLE 4.1: DESCRIPTIVE STATISTICS ON DYNAMIC EXTERNALISM

Variable	Statement	Disagree %	Neither agree nor disagree %	Agree %	Mean	Std. Dev.
DEXT1	I believe that a belief in a religion helps one understand the meaning of life.	12.5	15.6	71.9	4.04	1.20
DEXT2	I believe that good deeds will be rewarded, and bad deeds will be punished.	18.8	28.1	53.1	3.54	1.21
DEXT3	I believe that religious faith contributes to good mental health.	20.9	27	52.1	3.51	1.21
DEXT4	I believe that there is a supreme being controlling the universe.	23.9	32.3	43.8	3.48	1.17
DEXT5	I believe that all things in the universe have been determined.	28.1	31.3	40.6	3.30	1.15
DEXT6	I believe that a belief in a religion makes people good citizens.	18.7	36.4	44.9	3.47	1.25
DEXT7	I believe that the just will eventually defeat the wicked.	24	33.3	42.7	3.41	1.24
DEXT8	I believe that religion makes people escape from reality.	40.7	25	34.3	2.80	1.28
DEXT9	I believe that one will succeed if one really tries.	20.8	28.1	51.1	3.53	1.23
DEXT10	I believe that hard-working people will achieve more in the end.	29.2	20.8	50	3.53	1.32
DEXT11	I believe that every problem has a solution.	21.9	27.0	51.1	3.51	1.21
DEXT12	I believe that religious people are more likely to maintain moral standards.	25	35.4	39.6	3.31	1.15
DEXT13	I believe that religious beliefs lead to unscientific thinking.	24	31.3	44.7	3.23	1.18
DEXT14	I believe that knowledge is necessary for success.	15.6	24	60.4	3.71	1.17
DEXT15	I believe that failure is the beginning of success.	40.7	20.8	38.5	3.03	1.24
DEXT16	I believe that there are many ways for people to predict what will happen in the future.	17.7	43.8	38.5	3.27	1.09
DEXT17	I believe that ghosts or spirits are people's fantasy.	25	34.4	40.6	3.22	1.17
DEXT18	I believe that human behaviour changes with the social context.	14.6	41.7	43.7	3.43	1.00
DEXT19	I believe that competition brings about progress.	39.6	23.9	36.5	3.10	1.24

DEXT20	I believe that caution helps one avoid mistakes.	16.6	39.6	43.8	3.41	1.17
DEXT21	I believe that adversity can be overcome by effort.	26	39.6	34.4	3.09	1.12

Overall mean score for DEXT **=3.38**

4.2.1 Dynamic externalism

The responses on how the participants view dynamic externalism in their organisation are depicted in Table 4.1. The average responses are demonstrated in Table 4.1 by providing results for the means and standard deviation to individual questions. The overall mean score for dynamic externalism is 3.38 which falls above 3.0 and thus indicates a relatively neutral view of dynamic externalism.

In Table 4.1 about 71.9% of the respondents declared that they believe that a belief in a religion helps one understand the meaning of life. The 60.4% (sixty percent) of the respondents confirmed that they believe that knowledge is necessary for success. Altogether 43.8% of the respondents believe that there are many ways for people to predict what will happen in the future. About 41.7% neither agreed nor disagreed about the belief that human behaviour changes with the social context. Another 40.7% of the respondents disagreed with the statement that failure is the beginning of success and 40.7% of the respondents disagreed with the statement that religion makes people escape from reality.

4.2.2 Corporate citizenship

Table 4.2 depicts the responses on the participants' view about corporate citizenship in their organisation. Also, Table 4.2 demonstrates the average responses by providing results for the means of 3.19 to individual questions. The overall response reveals that the majority of the respondents agree that corporate citizenship is crucial for their organisation. A variance on the statement pertaining to the directors not encouraging the operators to keep financial records is detected with the mean score of 2.95 which indicates that the effort is made but to a lower extent.

TABLE 4.2: DESCRIPTIVE STATISTICS ON CORPORATE CITIZENSHIP

Variable	Statement	Disagree %	Neither agree nor disagree %	Agree %	Mean	Std. Dev
CITI1	The directors of my organisation ensure that all necessary documentation to operate in a passenger public transport system is available with all operators.	15.6	34.4	50	3.58	1.14
CITI2	The directors of my organisation keep all employees aware of the speed limit on the South African roads whilst commuting with passengers.	37.5	16.7	45.8	3.27	1.51
CITI3	The management of my organisation always ensure that all operational vehicles are roadworthy.	29.2	17.7	53.1	3.53	1.29
CITI4	The directors of my organisation encourage the operators to keep financial records.	40.7	18.6	40.7	2.95	1.56
CITI5	The management of my organisation does comply with the Labour Laws of the country.	37.5	25.0	37.5	2.97	1.56
CITI6	The directors of my organisation always ensure that employees take care when commuting the passengers.	22	32.1	46	3.51	1.17
CITI7	We charge a uniform price for all the routes of the operation.	43.7	28.1	28.2	2.88	1.20
CITI8	My bus and taxi are listed in NATIS for government control purposes.	19.8	30.2	50	3.48	1.21
CITI9	My taxi business is registered with SARS for tax payment purposes.	36.5	25	38.5	3.13	1.39
CITI10	We always ensure commuters reach their destinations safely.	19.8	38.5	41.7	3.46	1.23
CITI11	The directors of my organisation have designed a Code of Conduct for my taxi business and for the industry.	42.7	16.7	40.6	3.07	1.44

CITI12	The management of my taxi business complies with the code of conduct.	35.4	26	38.6	3.14	1.27
CITI13	As the management of my organisation we respect opinions, feelings and attitudes of others.	40.6	24	35.4	2.85	1.43
CITI14	The directors of my organisation display acceptable manners	43.7	24	32.3	2.96	1.25
CITI15	The directors of my organisation ensure every operator knows how to differentiate between what is right and wrong	36.5	29.1	34.4	3.16	1.24
CITI16	The directors of my organisation ensure that businesses act responsibly while we making profits.	36.5	30.2	33.3	3.06	1.17

Overall mean score for CITI **is 3.19**

Again another variance on the statement pertaining to charging a uniform price for all the routes of the operation was detected with a mean score of 2.88. Also an inconsistency in the statement pertaining to the management of the taxi organisation respecting the opinions, feelings and attitudes of others is detected with a mean score of 2.85, which reflects that the management of the taxi organisation does respect opinions, feelings and attitudes of others but only to a certain extent.

The extent to which the management of the taxi organisation complies with the Labour Laws of the country was shown as below the accepted level with a mean score of 2.97. This might pose a serious challenge as good corporate citizens need to comply with the required legislation.

Table 4.2 shows that 53.1% of the respondents agreed with the statement that the management of the taxi organisation always ensures that all operational vehicles are roadworthy and a mere 29.2% disagreed, whilst 17.7% of the respondents neither agreed nor disagreed. A significant number of the respondents (50%) agreed with the statement that the directors of the organisation ensure that all necessary documentation to operate in a passenger public transport system is available to all

operators, only 15.6% of the respondents disagreed and 34.4% of the respondents neither agreed nor disagreed.

A significant number of respondents (38.5%) did not commit to the statement that the taxi organisation always ensures commuters reach their destinations safely while 41.7% concurred with the statement of commitment.

About 43.7% of the respondents disagreed with the statement that they charge uniform prices for all the routes of the operation and 28.2% agreed and 28.1% of the respondents neither agreed nor disagreed. Also, 43.7% of the respondents disagreed with the statement that the directors of the taxi organisation display acceptable manners, only 32.3% of the respondents agreed and 24% of the respondents neither agreed nor disagreed.

Regarding the statement that the directors of taxi organisation have designed a Code of Conduct for the taxi business and for the industry, 42.7% of the respondents disagreed while 16.7% of the respondents did not commit to the statement and 40.6% of the respondents agreed with the statement.

Almost half of the respondents (50%) agreed with the statement that their buses and taxis are listed in NATIS for government control purposes and a mere 19.8% of the respondents disagreed whilst 30.2% of the respondents neither agreed nor disagreed.

4.2.3 Human resource management

Table 4.3 illustrate the responses on how the participants view human resource management in their organisation. Table 4.3 shows the average responses by providing the means and the standard deviation to individual questions. The overall mean score for human resource management is indicated by 2.92, which means that the respondents generally disagree with the questionnaire statements on human resource management.

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TABLE 4.3: DESCRIPTIVE STATISTICS ON HUMAN RESOURCE MANAGEMENT

Variable	Statement	Disagree %	Neither agree nor disagree %	Agree %	Mean	Std. Dev.
HRM1	My organisation is registered with the various institutions as required by labour legislation	56.3	18.7	25	2.58	1.36
HRM2	My organisation is registered with the various institutions as required by labour legislation	38.5	25	36.5	2.93	1.50
HRM3	In my organisation, we ensure that our staff are optimally utilized	38.5	26	35.5	3.05	1.28
HRM4	We provide extra benefits for our employees of my organisation	47	20	33	2.71	1.49
HRM5	In my organisation, we monitor absenteeism	25	34.4	40.6	3.25	1.15
HRM6	In my organisation, remuneration is in line with industry norms	44.8	22.9	32.3	2.75	1.47
HRM7	Employees work overtime frequently in my organisation	35.4	29.2	35.4	3.13	1.21
HRM8	In my organisation, employees are trained for competency	41.6	23	35.4	2.95	1.28
HRM9	In my organisation, staff are empowered for problem solving and growth	39.5	27.1	33.4	2.96	1.25
HRM10	In my organisation, we recognize and evaluate staff suggestions	39.6	24	36.4	3.04	1.22
HRM11	In my organisation, staff are cross trained in an attempt to encourage multi- skilling	47	26	27	2.78	1.23
HRM12	In my organisation, we make use of a disciplinary code and grievance procedure	40.6	22.9	36.5	3.06	1.34
HRM13	In my organisation, we consider employing BEE strategies	41.8	22.9	35.3	3.01	1.30
HRM14	In my organisation, we have utilized the services of our SETA	39.6	29.1	31.3	2.79	1.44

The overall mean score for HRM is **2.93**

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From above table 40.6% of the respondents agreed with the statement that the organisation monitor absenteeism, 34.4% neither agreed nor disagreed and 25% disagreed. Around 41.8% of the respondents disagreed with the statement that the organisation considers employing BEE strategies, 22.9% neither agreed nor disagreed and 35.3% agreed.

Above half of the respondents (56.3%) were of the opinion that the organisation is not registered with the various institutions as required by labour legislation whilst 25% of the respondents agreed with the statement and 18.7% of the respondents neither agreed nor disagreed. Nearly half of the respondents (47%) indicated that the taxi owners do not provide extra benefits for their employees whilst 20% were uncertain and 33% agreed with the statement. Another 47% of the respondents were of the opinion that the staff members are not cross-trained in an attempt to encourage multi-skilling, 27% of the respondents agreed and 26% of the respondents neither agreed nor disagreed. It was also noticed that 44.8% of the respondents disagreed with the statement that the remuneration of the organisation is in line with industry norms, whilst 32.3% of the respondents agreed and 22.9% of the respondents neither agreed nor disagreed.

4.2.4 Marketing management

Table 4.4 depicts an average mean score of 3.05 that indicates a satisfactory level of marketing management within the organisation. A variance is detected in the following statements pertaining to the organisation spending effectively on marketing and promotional activities with a mean score of 2.71, the organisation never received complaints from the customers on the products or services with the mean score of 2.33 and that the organisation's pricing of the services is influenced by the competitors with a mean score of 2.76.

Table 4.4 shows that 50.1 % of the respondents agreed with the statement that the organisation is making effective use of the drivers, whilst 16.6% disagreed and 33.3% neither agreed nor disagreed. Above half of the respondents (56.3%) disagreed with the statement that the organisation never received complaints from the customers whilst 21.8% neither agreed nor disagreed. Remarkable numbers of

the respondents (51%) were of the opinion that the organisation has not carefully considered the geographical location according to their client base, 29.2% were unsure while 19.8% felt that the organisation has considered the geographic location based on the client base. About 44.8% of the respondents did not commit to the statement that the organisation's services effectively reach their target market, whereas 35.4% committed to the statement and 19.8% were indifferent.

TABLE 4.4: DESCRIPTIVE STATISTICS ON MARKETING MANAGEMENT

Variable	Statement	Disagree %	Neither agree nor disagree %	Agree %	Mean	Std. Dev.
MRT1	In my organisation, we spend effectively on marketing and promotional activities	51.1	21.9	27	2.72	1.38
MRT2	In my organisation, we never receive complaints from customers on products/ services	56.3	21.8	21.9	2.33	1.33
MRT3	My organisation has carefully considered our geographical location in relation to our client base	51	29.2	19.8	3.53	0.98
MRT4	My organisation's pricing of our services is influenced by our competitors	44.8	30.2	25	2.76	1.21
MRT5	My organisation's services effectively reach their target market	19.8	44.8	35.4	3.26	1.06
MRT6	In my organisation, we monitor the income highs and lows	34.4	31.2	34.4	3.11	1.16
MRT7	My organisation makes effective use of its drivers	16.6	33.3	50.1	3.58	1.07
MRT8	My organisation's pricing of our services is influenced by consumer requirements	37.5	28.1	34.4	3.07	1.27

The overall mean score for MRT is **3.05**

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4.2.5 Operations management

Table 4.5 reveals an average mean score of over 3.0 which indicates a satisfactory level of operations management within the organisation. A difference on the statement relating to the awareness of the financial implications of service complaints was noticed. The 2.97 mean score indicates that the awareness is there but at a lower degree.

It was shown from Table 4.5 that 46.9% of the respondents agreed with the statement that employees are familiar with the work content of each product or service in their organisation, whilst 28.1% neither agreed nor disagreed and 25% disagreed. About 42.7% of the respondents agreed with the statement that housekeeping (ensuring clean working environments and clean vehicles) was the top priority of the staff in their organisation.

About 43.8% of the respondents were of the opinion that the organisation has lost income due to late delivery of service and 31.2% indicated that their organisation has never lost income due to the late delivery of service whilst 25% did not commit to the statement. It was also noted that 40.6% were of the view that their organisation does not always deliver the service on time whilst 35.4% of the respondents agreed with the statement that their organisation always delivered the service on time and 24% neither agreed nor disagreed with the statement.

TABLE 4.5: DESCRIPTIVE STATISTICS ON OPERATIONS MANAGEMENT

Variable	Statement	Disagree %	Neither agree nor disagree %	Agree %	Mean	Std. Dev.
OPM1	I know which processes require improvement in my organisation	30.2	35.4	34.4	3.18	1.188
OPM2	I am familiar with the work content of each product/service of my organisation	25	28.1	46.9	3.42	1.21
OPM3	Housekeeping (ensuring clean working environments and clean vehicles) is a top priority for me in my organisation	34.4	22.9	42.7	3.21	1.37
OPM4	I am aware of the financial implications of service complaints	38.5	33.3	28.2	2.97	1.18
OPM5	My organisation always delivers services on time	40.6	24	35.4	3.08	1.19
OPM6	My organisation never loses income due to late delivery of services	43.8	25	31.2	3.02	1.26
OPM7	In my organisation, we plan our services in relation to demand	20.9	39.6	39.5	3.30	1.12
OPM8	In my organisation, tools and equipment are always maintained	38.6	25	36.4	3.10	1.17
OPM9	In my organisation, we regularly inspect the quality of our services	36.5	29.2	34.3	3.07	1.17

The overall mean score for OPM is **3.15**

4.2.6 Financial management

Table 4.6 reports an average mean score of 3.01 on financial management which is at the satisfactory level. However, a discrepancy was detected on the statement that the organisation is making a profit with the mean score of 2.76 which is below the organisation's average mean score. It was discovered that there is variance about the statement relating to the organisation's use of a formal financial costing system with the mean score of 2.85 also below the average. Also a variance was detected on the statement that the organisation has financial controls in place, with a mean score of 2.92.

TABLE 4.6: DESCRIPTIVE STATISTICS ON FINANCIAL MANAGEMENT

Variable	Statement	Disagree %	Neither agree nor disagree %	Agree %	Mean	Std. Dev.
FIN1	My organisation is making a profit	44.8	29.2	26	2.76	1.28
FIN2	I know my organisation's total labour costs	39.6	32.3	28.1	2.93	1.22
FIN3	In my organisation, we vary or change our prices from time to time	39.6	25	35.4	3.03	1.27
FIN4	My organisation's cash flow is positive	36.5	31.3	32.2	3.04	1.18
FIN5	My organisation can meet its business expenses	32.3	33.3	34.4	3.15	1.16
FIN6	My organisation has financial controls in place	43.7	19.8	36.5	2.92	1.40
FIN7	My organisation has a separate bank account	28.2	25	46.8	3.38	1.28
FIN8	In my organisation, we always calculate our break-even point	40.7	23.9	35.4	3.06	1.30
	My organisation uses a formal financial costing system	39.6	28.1	32.3	2.85	1.37

The overall mean score for FIN is **3.01**

The above table also indicated that 46.8% of the respondents agreed that the organisation has a separate bank account while 25% were indifferent and 28.2% disagreed with the statement. Remarkably, 44.8% of the respondents disagreed with the statement that the organisation is making a profit, 29.2% neither disagreed nor agreed while 26% agreed with the statement. It has also been noticed from Table 4.6 that 43.7% were of the opinion that the organisation's financial controls were not in place, while 19.8% of the respondents gave neutral responses and only 36.5% agreed with the statement. Table 4.6 depicted that 39.6% of the respondents disagreed with the statement that the organisation uses a formal financial costing system, while 28.1% were indifferent and 32.3% agreed with the statement.

TABLE 4.7: DESCRIPTIVE STATISTICS ON SOCIAL CYNICISM

Variable	Statement	Disagree %	Neither agree nor disagree %	Agree %	Mean	Std. Dev.
CYNI1	I believe that to care about societal affairs only brings trouble for yourself.	36.5	29.1	34.4	2.88	1.18
CYNI2	I believe that kind-hearted people usually suffer losses.	25	27.1	47.9	3.32	1.24
CYNI3	I believe that old people are usually stubborn and biased.	19.8	30.2	50	3.46	1.16
CYNI4	I believe that it is rare to see a happy ending in real life.	42.7	29.2	28.2	2.80	1.18
CYNI5	I believe that people will stop working hard after they secure a comfortable life.	50	20.8	29.2	2.73	1.23
CYNI6	I believe that old people are a heavy burden on society.	36.4	28.1	35.5	2.83	1.26
CYNI7	I believe that kind-hearted people are easily bullied.	12.5	28.1	59.4	3.68	1.04
CYNI8	I believe that people deeply in love are usually blind.	18.8	32.2	49	3.38	1.15
CYNI9	I believe that humility is dishonesty.	42.8	25	32.2	2.81	1.27
CYNI10	I believe that power and status make people arrogant.	15.6	25	59.4	3.66	1.14
CYNI11	I believe that powerful people tend to exploit others.	12.4	16.7	70.9	3.89	1.14

The overall mean score for Cynicism is **3.22**

4.2.7 Social cynicism

Table 4.7 reveals an average mean score of 3.22 which is a little higher than 3.0 which is the satisfactorily level. However, a variance on the statement regarding the belief that people will stop working once they secure a comfortable life was detected with the mean score of 2.73 which was below the average. Also from Table 4.7, a discrepancy was also detected on the following beliefs: that it is rare to see a happy ending in real life with the mean score of 2.80, as well as the statement or belief that to care about societal affairs only brings trouble to yourself with a mean score of 2.88, also the belief that old people are a burden to the society with a mean score of 2.83 and on the belief that humility is dishonesty with a mean score of 2.8. All these

beliefs were reported from Table 4.7 with mean scores that were below the organisation's average mean.

The empirical results reveal that 70.9% of the respondents agree that powerful people tend to exploit others, 16.7% were however not definite about this statement. A substantial number of the respondents (59.4%) are of the belief that power and status make people arrogant, while 25% neither agreed nor disagreed with this statement. Another 59.4% of the respondents believe that kind-hearted people are easily bullied, with 28.1% showing indifference in this regard.

Almost half of the respondents (50%) depicted that they believe that old people are usually stubborn and biased while 30.2% offered a neutral response to the statement. A significant number of respondents (50%) disagreed with the belief that people will stop working hard after they secure a comfortable life, 20.8% were neutral whilst 29.2% agreed to the statement.

4.3   CHAPTER SUMMARY

This chapter described the descriptive statistical results of the study. The empirical results indicate that three of the independent variables, namely dynamic externalism, human resource management and operations management, play a role in increasing corporate citizenship in the taxi industry. However, increasing marketing management, financial management and cynicism would not increase corporate citizenship in the taxi industry.

In Chapter 5, the managerial implications of the empirical findings will be discussed and recommendations made on the strategies that could be employed by management to increase corporate citizenship in the taxi industry.

CHAPTER 5

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

In this chapter, the empirical results of the study are discussed in terms of the managerial implications they present for corporate citizenship. A brief summary of the entire study is presented and the empirical results pertaining to each variable in the hypothesised model are discussed. These empirical findings are also compared with findings from the literature review and conclusions are drawn based on these comparisons. The limitations of the study, as well as recommendations for future researchers to explore are also discussed.

5.2   OVERVIEW OF THE STUDY

According to the literature review discussed in Chapter 2, a theoretical foundation for the proposed relationship of social axioms or dimensions and organisational performance in corporate citizenship was presented. However, it was hypothesised that dynamic externalism, societal cynicism, as the social axioms or cultural dimensions, and organisational performance measured by business functions such as human resource, operations, marketing and financial management were important determinants of corporate citizenship.

The methodology of the study was discussed in Chapter 3. This covered the sampling design, sample composition and measuring instruments. Reliability and validity were tested on the data collected using these measuring instruments and the results of these tests were reported in Chapter 3. Multiple regression analysis was conducted on the hypothesised relationships between the social axioms or dimensions and organisational performance on the one hand and corporate citizenship on the other hand. The results of this analysis were reported in Chapter 3.

The descriptive statistics (mean scores and the percentage agree versus disagree responses) were reported and discussed in Chapter 4. The managerial implications

of the empirical results reported in Chapter 3 and 4 were elaborated on in the next sections.

5.2.1 Dynamic externalism

In this study, the relationship between dynamic externalism and corporate citizenship in the taxi industry was investigated. The results of the average mean score of 3.38 as outlined in Table 4.1 effectively led to the conclusion that the respondents are of the belief that dynamic externalism has a positive impact on the improvement of corporate citizenship. The empirical results show that corporate citizenship is positively related to dynamic externalism ($r = 0.26$, $p < 0.001$), and this means that to increase the taxi owners' corporate citizenship, their dynamic externalism must be increased. However, even though the overall responses showed that the participants exhibited acceptable levels of dynamic externalism, some of the respondent's statements indicated that there were some major improvements that needed to be made in terms of the organisation enhancing corporate citizenship.

According to Leung and Bond (2004), Chen et al. (2006) and Zhou and Leung (2008), dynamic externality emphasises proactive mobilisation of psychological resources by people, as individuals and group members, to confront environmental constraints and difficulties. They argued that this struggle with the external forces is influenced by a Supreme Being and fate. It was then suggested that the cultures high on dynamic externality expect the collective to reward fair, altruistic and caring behaviour and to provide role clarity and rules for fairness in individual and group relations. Furthermore, dynamic externality is positively related to hierarchy, power distance, conservationism, and embeddedness. However, it was confirmed that dynamic externality affects negatively or does not promote human development. It was further confirmed that dynamic externality in an organisation promotes reliance on vertical sources of guidance.

Reward for application, as suggested by Bond et al. (2004), should be related to preference for jobs where the effort-reward relation is clearer. In this case the clearer link would be found between the effort and the tangible reward and the expected human behaviour in preferring an occupation in relation to the reward applied to it.

Bond et al. (2004) suggested that reward for the application links better with problem-solving which is a coping strategy that requires grappling with the problem actively because of its support for trying hard.

In the taxi industry, the reward for application must be increased in areas where hard working people will achieve in the end, as this might encourage the taxi industry staff to work hard so that they will be rewarded for their hard work. This is encouraging them to put more effort in to what they do. This might encourage the implementation of CC within the industry; for example the empirical evidence supports the view that hard-working people will achieve more in the end, with almost half (50%) of the respondents agreeing with the statement.

Bond et al. (2004:179) suggest that spirituality is the other social dimension that can be used to predict the behaviours of people; they referred to it as religiosity which represents the view that spiritual forces influence the human world and that religious institutions exert a positive effect on social outcomes, for example religious people are more likely to maintain moral standards. In terms of CC, good citizens should have or portray accepted behaviours and the corporation should act responsibly, and this dimension can assist the corporation to maintain the moral standards in the communities where they operate. This does not exclude the taxi industry, where moral standards should be maintained so that religiosity can actually assist them or guide their behaviour as good corporate citizens. It has been found by Bond et al. (2004) that people high in religiosity welcome the opportunity to provide services to others, a core element in this category.

The dimension of dynamic externalism in terms of social complexity is associated with compromise and collaboration (Bond et al., 2004; Singelis et al., 2003). Social complexity has been found to be correlated to cognitive flexibility which is important for achieving compromise and collaboration in conflictual situations.

Ethical responsibilities concern society's expectation that business should follow established moral standards (Maignan et al., 2000: 294). This suggests that if the taxi owners would increase their dynamic externalism especially their religiosity belief such as 'religion helps people to maintain good moral standards' which is one

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of the requirements of CC to assume the ethical responsibilities, their CC would increase.

Precautionary principles are exercised by the management of an organisation immediately when there is an indication of risk. In other words, preventative measures should be in place if the business is regarded as a corporate citizen. The precautionary principle for CC comes fully to the fore when looking at the complex problem of responsibility for future generations. Throughout this process businesses should enjoy the natural capital available equally with considerations of the future generation (Jeurissen, 2004:89-90). In the current study this is line with the belief that caution helps one avoid mistakes, where the 43.8% of the respondents agreed with the statement whilst 39.6% were indecisive. Being good corporate citizens the taxi owners need to work on this and increase the number of those who believe in this statement so as to fulfil the precautionary principle of CC.

5.2.2 Corporate citizenship

The literature review in Chapter 2 revealed that Williams (2010:446) defined CC as business decision-making linked to ethical values, compliance with legal requirements, and respect for people, communities and the environment. According to Jeurissen (2004), the representation or metaphor of corporate citizenship proposes an institutional approach to corporate social responsibility. Jeurissen (2004) further explained that citizenship stands as a social role, characterized by an orientation towards the social contract, collective and active responsibility, as well as a positive attitude towards the juridical state. Therefore, CC adopts a social role, characterized by the social contract of business, a participatory ethics of business, the precautionary principle and the promotion of just international institutions. It is also considered that CC is influenced by a number of interacting institutional conditions that hold society partly responsible for the social performance of its companies (Jeurissen, 2004).

Maignan et al. (2000) also suggested that the management should pay attention to the code of ethics, to confidentiality and reporting procedures when they want to evaluate their CC. According to the Global Compact (2010), businesses should work

against corruption in all its forms, including extortion and bribery. This principle was based on the desire to realize a more transparent global economy (Global Compact, 2010; Williams, 2008; Jones, 2007). This principle is important for sustainable business because corruption hinders sustainable development with a disproportionate impact on poor communities. Considering the private sector, corruption impedes economic growth, distorts competition and represents serious legal and reputational risks. It is also costly to the business as the business has to pay more in order to do business in that particular area. Corruption is also unethical in nature as it misuses power and position, undermines the integrity of the parties involved, and damages the image of the organisation (UN Global Compact, 2010; King 111, 2009; Jones, 2007).

According to the empirical results, corporate citizenship is positively related to dynamic externalism with $r = 0.26$ and $p < 0.001$. This suggests that in order to increase the taxi owner's corporate citizenship, the dynamic externalism must be increased. It was also discovered that corporate citizenship is positively related to the human resource management with $r = 0.41$, $p < 0.001$. This means that if one wants to increase the corporate citizenship of the taxi owners, human resource management must be improved. It was further noticed from the empirical results that corporate citizenship was positively related to the operations management with $r = 0.47$, $p < 0.001$, meaning the taxi owner's corporate citizenship rating could be increased if one improves the operations management.

However, the empirical results revealed that corporate citizenship is not related to the marketing management, and this means that the improving marketing management will not increase the taxi owners' corporate citizenship. Also the corporate citizenship was found to be not related to financial management. This suggests that even if the financial management is improved, the taxi owners' corporate citizenship will not be increased. The empirical results also found that the corporate citizenship was not related to social cynicism. In this regard, the suggestion could be made that a special focus on increasing this variable will not increase the taxi owners' corporate citizenship.

The other benefit of CC is that the organisation can build its image when engaged in the activities of CC such as those that are legal, i.e. monitoring and addressing the implementation of compliance, social activities such as monitoring philanthropic donations, and coordinating family programs (Maignan et al., 2001).

Businesses have great potential to transform people's lives and to alleviate poverty through generating economic growth. They produce goods and services that customers want and they create jobs. Through paying taxes, they contribute to government revenue that can finance schools, hospitals and other public services (Anglo American CSR Report, 2012). Only 38.5% of the respondents agreed that their taxi business is registered with SARS for tax payment purposes; this is a challenge because 36.5% agreed that their taxi business is not registered with SARS, meaning they are not paying tax on the income they receive from the business. This industry is responsible for approximately R16.5 billion Rands turnover per annum (SATAXI, 2013). If this is left unrectified, it means the government is not getting the necessary funds to finance public activities.

Deciding between wrong and right is an ethical matter that characterizes CC and, therefore, ethics are important in business as they concern an individual's moral judgments about right and wrong. Often businesses make the decisions and they are influenced by the culture of the company. The decision to behave ethically is a moral one, meaning the employees must decide what they think is the right course of action (Cadbury Schweppes CSR report, 2002). It has been confirmed from the empirical results that 34.4% of the respondents agreed that the directors of their taxi organisation ensure that every operator knows how to differentiate between what is right or wrong, whereas 36.5% disagreed. This suggests that in order to increase the taxi owners' CC this should be improved by making sure that every operator knows the difference between right and wrong as this leads to ethical behaviour.

In today's business life, business processes form the foundation for all organisations and are affected by laws, policies and industry regulations. On that note, compliance management should be adopted by the organisation at an early stage of the business process design so that compliance constraints are planted in service enabled processes (Papazoglou 2011:12). Compliance management begins with

analysis and refinement of resources of compliance requirements, such as regulations, standards, policies, business rules which state the norms mandating the way the business processes are executed. These norms are transformed into set concrete concepts (Papazoglou, 2011).The King 111 report (2009) further recommended that the board should take responsibility in assuring that the company implements an effective compliance framework and should delegate the management of this implementation. The report further suggested that the board should ensure that a legal compliance policy has been implemented by the management.

Compliance is about ensuring that the business processes and practices are in line with a prescribed and agreed on set of norms. Compliance constraint refers to the situation where any explicitly stated regulation prescribes an internal or cross organisational business process. Compliance rules can be financial accounting practices and financial reporting control measures and disclosure requirements. Compliance regulations influence the process of internal control in stating that the internal control process should be monitored on a continuous basis, tested and improved (Papazoglou 2011:12).

The King 111 report suggests that compliance means that the company should ensure that the company complies with the applicable laws and considers adherence to non-binding rules, codes and standards. Therefore the company is expected to handle the exceptions that are permitted by the laws, as well as shortcomings and proposed changes in an ethical manner. The King 111 report therefore emphasizes that compliance should be an ethical activity. It is crucial that compliance with applicable laws should be understood not only in terms of the obligations that they create, but also for the rights and protection that they give (King 111 report, 2009).

According to the King 111 report, compliance with laws, rules, codes and standards should be incorporated in the code of conduct of the company. Appropriate structures should be established by the management to educate, train, communicate and measure key performance indicators relevant to compliance. It is however, shown from the empirical results that the code of conduct has been fully developed by the directors of

the taxi organisations, whereas 42.7% confirmed that this has not been done by their directors.

5.2.3 Human resource management

The empirical results show that corporate citizenship is positively and significantly related to human resource management (r = 0.41, p < 0.001). In other words, to increase the taxi owners' corporate citizenship rating, their human resource management must be improved.

Human resource management is also the main correlate of corporate citizenship, in other words, the way human resources are managed in the taxi industry (the way they employ, develop, dismiss their staff such as drivers and whether remuneration is (according to the industry norms) playing an important role in enhancing CC.

In increasing CC, the taxi owners should fulfil this obligation of proper HRM in the taxi industry by trying to improve their HRM by acting ethically, complying with the legal requirements, and respecting people. In the empirical results the respondents indicated that the managements of the taxi organisations do comply with legal requirements but some of the respondents indicated that they were not registered with the labour organisations and also their remuneration was not in line with the industry norms. It was also evident from the empirical results that respect for the people and their feeling and opinions was not always taken seriously. In order to be good citizens, taxi owners and their managers should register their employees with the labour relations body as well as respect their drivers, and their opinions and feelings should be considered and not ignored.

This is evident where about half of the respondents (56.3%) were of the opinion that the organisation is not registered with the various institutions as required by labour legislation, whilst 25% of the respondents agreed with the statement and 18.7% of the respondents neither agreed nor disagreed. About 47% of the respondents indicated that the taxi owners do not provide extra benefits for their employees whilst 20% were uncertain and 33% agreed with the statement. Another 47% of the respondents were of the opinion that the staff members are not cross-trained in an

attempt to encourage multi-skilling, 27% of the respondents agreed and 26% of the respondents neither agreed nor disagreed. About 44.8% of the respondents disagreed with the statement that the remuneration of the organisation was in line with industry norms, whilst 32.3% of the respondents agreed and 22.9% of the respondents neither agreed nor disagreed.

Legal responsibility requires that businesses fulfil their economic mission within the framework of legal requirements (Maignan et al., 2000:294). Being a proactive corporate citizen, one needs to pay attention to the economic, legal and ethical as well as discretionary responsibilities, such as informing the employees about the regulations guiding appropriate relations with customers and co-workers or by running all business operations efficiently with an eye to future performance (Maignan et al., 2000:294, 2001). Maignan et al. (2000) also suggested that the management should pay attention to the code of ethics, to confidentiality and reporting procedures when they want to evaluate their CC.

International institutions often assume that their organisations pursue good and just laws to which they are willing to be subject. Even for the multinational organisations to pursue transition to a social contract for their business on the global scale, the legalisation of CC is necessary (Jeurissen, 2004; Williams, 2008).

Citizenship brings the right to take part in the public life of the state, which is more in the line of duty and a responsibility to look after the interest of the community (Matten et al., 2003). Based on this element the literature revealed that there are rights that are enjoyed by the corporate citizens that the company would expect as well. So if the government fails in its duties, the society would be happy if the businesses filled this gap. The businesses are left to protect or not to protect certain rights for consumers, workers and other citizens even if this does not fall under the clear heading of CC (Matten et al., 2003). For example, in South Africa vast numbers of people are unemployed, and the taxi industry would take this as an opportunity to take part in public life by providing employment opportunities to the community.

However, according to the South African taxi association,, this industry is currently employing about 400 000 people in South Africa, being the drivers, administrative staff, rank marshals and so on (SATAXI, 2013).

Businesses that protect and support human rights are likely to increase their productivity level and retain their employees. This happens when the employees are treated with dignity and given fair and just remuneration and where they are not exploited for the sake of maximizing profits. The business might attract good quality workers because new recruits are considerate of the place where they want to work. Often new recruits would consider the social, environmental and governance record of the companies or organisations when they are making their choice of the employer (UN Global Compact, 2010; Jones et al., 2007).

Most importantly, companies are governed by applicable laws and codes of international human rights which should be respected at all times. Businesses have a responsibility to respect human rights whether they are operating in an area of weak governance or in a more stable context. In areas where there is weak governance, the risks of infringing human rights may be greater because of the context (UN Global Compact, 2010).

UN Global Compact, (2010) and Jones et al. (2007) further allude to the principle that businesses should uphold the freedom of association and effective recognition of the right to collective bargaining. Freedom of association indicates respect for the right of all employers and all workers to freely and voluntarily establish and join organisations of their own choice.

Moreover, businesses should eliminate all forms of forced and compulsory labour at all times (UN Global Compact, 2010; Jones et al., 2007). It is by right, that labour should be freely offered and employees should be free to leave in accordance with established rules. Forced labour violates fundamental human rights and deprives societies of the opportunity to develop skills and human resources, and to educate children for the labour markets of tomorrow. Forced labour is suffered by individuals, in particular children, and also by society and the economy at large. Forced labour lowers the level of productivity and results in less secure investments and slower

economic growth by retarding the proper development of human resources (UN Global Compact, 2010; Jones et al., 2007; Williams, 2008). The above is against the principles of Corporate Citizenship.

Businesses should stay away from child labour. This is a form of exploitation that is a violation of a human right. Children includes all girls and boys less than 18 years of age but in certain cases children below 18 years of age but above 12 can be allowed to do certain tasks depending on the nature of the job as specified by law. Global Compact emphasized that companies should abolish child labour because it is damaging to a child's physical, social, mental, psychological and spiritual development as work performed at too early an age. This deprives children of their childhood and their dignity. Children are deprived of an education and may be separated from their families.

Furthermore, children who do not complete their primary education are likely to remain illiterate and never acquire the skills needed to get a job and contribute to the development of a modern economy. As a result, child labour results in under-skilled, unqualified workers and jeopardizes future improvements of skills in the workforce. Child labour is also likely to damage a company's reputation. Economic exploitation of children can damage a brand image and have strong repercussions on profit and stock value (UN Global Compact, 2010). While businesses enjoy their citizenship, future generations should be protected if good citizenship is desired.

Discrimination in respect of employment and occupation should be eliminated by the businesses. This simply means treating people differently or less unfavourably because of characteristics that are not related to their merit or the inherent requirements of the job. These include: race, colour, sex, religion, political opinion, national extraction, social origin, age, disability, HIV/AIDS status, trade union membership, and sexual orientation.

Discrimination leads to social tensions that are potentially disruptive to the business environment, both within the company and in society. If there are discriminatory practices in the business, especially in employment and occupation, the company denies itself access to talents from a wider pool of workers, and thus skills and

competencies. Discrimination creates resentment and hurt which will affect the performance of individuals and teams in the company. Gradually, young graduates and new employees also increasingly judge companies on the basis of their social and ethical policies at work. Discriminatory practices result in missed opportunities for development of skills and infrastructure to strengthen competitiveness in the national and global economy. Discrimination separates an employer from the wider community and can damage a company's reputation, potentially affecting profits and stock value (UN Global Compact, 2010; Jones et al., 2007).

Birch (2008) endorsed the following principles of corporate citizenship, namely development of a culture where everyone in the organisation should be responsible beyond their particular job, and where interactive communication should be part of the business language so that the business can engage in interactive communication with its communities. Businesses should use local knowledge to enable them to contribute beyond what is generally considered to be core business. A business should also find ways that will minimize the separation between the business's supposed private culture and the public culture in which it functions; business should go beyond compliance, the people involved in the business should be empowered; it must also seek to effect cultural change in business through education and not just mandating, think ethically and not just operate ethically. Ownership for relevant staff should be created, and the business should also make sure that everyone in the business is able in some way to contribute to the creation of new value and be recognised and rewarded for it (Birch, 2008:134).

Empowering the employees has been seen as necessary for the CC. However from the empirical results of this study, about 35.4% of the respondents indicated that the staff members of the taxi industry are empowered for competency, but only 27% of the respondents agreed that the staff members are cross-trained in an attempt to encourage multi-skilling. This suggests that the taxi owners need to use the services offered by TETA in order to facilitate this area when they want to increase their CC.

Training makes the staff more efficient and therefore produces more output. It improves safety and reduces risks of accidents in the workplace. Workers become more flexible, allowing the business to use them in whatever areas they are needed

which in turn improves motivation. Training can lead to higher quality applicants and better customer satisfaction (Mathis and Jackson, 2003). However, Aguinis and Kraiger (2009) emphasized that training improves the performance of individuals and teams as well as capabilities such as innovation and tacit skills, adaptive expertise, technical skills, self-management skills, and cross-cultural adjustment. They further emphasized that the training improves skills such as empowerment, communication, and planning and task coordination in teams. For the organisation as a whole, training improves organisational performance in that the profitability levels improve, and organisational effectiveness, productivity, operating revenue per employee increase.

Furthermore, the other outcomes in relation to performance such as reduced costs, improved quality and quantity, employee turnover, the organisation's reputation and social capital also improve. They further recognized the benefits of training to the society at large as a result of these training activities. Many countries implemented policies that encourage the design and delivery of training programmes at most national levels which target to improve the nation's human capital. These in turn contribute positively to the entire economic prosperity. Therefore, training benefits the nation's economy as a whole (Aguinis and Kraiger, 2009:468).

It is vital for the business or organisation to make sure that the employees are educated and trained in corporate citizenship programmes, about compliance in terms of applicable laws and regulations, as well as about ethical values that are relevant to the organisation. The real value of having high quality and focused training available to employees has now become the focus of many organisations.

There is a monetary benefit attached to training, in that the organisations are now realizing the return on investment when providing quality training to their employees. Some of these benefits are the organisational commitment of the employees, job satisfaction and low turnover. It is therefore important for the organisation to see the value because if it does not, then there will be no value and indeed the employees will not be trained (Lee and Bruvold, 2003). High quality training results in higher earnings which in turn provide a better quality of life for the families of their employees (Lee and Bruvold, 2003).

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If the employees are not trained, there will be less commitment, less job satisfaction, no career advancement and employees will be tempted to leave the organisation. Employee turnover is often seen as the largest unnecessary expense not only related to monetary expense but in lost time and opportunities and decreased morale (Lee and Bruvold, 2003). The taxi industry therefore needs to improve on HRM practices as mentioned above so that CC levels can be improved.

5.2.4 Operations management

The empirical results show that corporate citizenship is positively and significantly related to the operations management (r = 0.47, p < 0.001). In other words, to increase the taxi owners' corporate citizenship, their operations management must be improved.

Kamauff (2010), however described the operations function as a business function responsible for the activities and processes that transform the inputs into outputs for the customers-finished goods and services. This entails the design and the control of systems responsible for the productive use of raw materials, human resources, equipment and facilities in developing goods and services. These activities must be managed and this is called operations management that deals with planning, sourcing and purchasing, inventory management, production management, marketing and sales, distribution, supply chain management, quality management and management information systems.

CC is characterised by the social contract of the business, institutional responsibility, the precautionary principle, and just international institutions (Jeurissen, 2004:89). According to Jeurissen (2004), the social contract of the business is the relationship between the business and the society in which the business operates. In this contract the society comes into agreement with the business that receives a number of privileges from the society, mainly the legally institutionalised corporate personality, and in exchange the society is granted a number of benefits of corporate production. In this exchange the society reaches agreement as long as the benefits exceed the social costs. CC further adds the social role of businesses which guides

the businesses to form themselves into responsible members of the society (Jeurissen, 2004:89).

About 42.7% of the respondents agreed with the statement that housekeeping (ensuring clean working environments and clean vehicles) is the top priority of the staff in their organisation. About 43.8% of the respondents were of the opinion that the organisation has lost income due to late delivery of service and 31.2% indicated that their organisation has never lost income due to the late delivery of service whilst 25% did not commit to the statement. It was also noted that 40.6% were of the view that their organisation does not always deliver the service on time whilst 35.4% of the respondents agreed with the statement that their organisation always delivers the service on time and 24% neither agreed nor disagreed with the statement.

According to the UN Global Compact (2010), when generalising the principles of the CC, it suggested that the internationally proclaimed human rights should be respected and supported by the business. Businesses should not infringe human rights when performing their operations. Nowadays consumers are increasingly aware of the goods they buy and the processes engaged in the production of these goods, so that businesses should be careful of how they respect human rights in their processes (UN Global Compact, 2010). Based on the empirical results obtained while conducting this study, about 34.4% of the respondents confirmed that they know which processes require improvement in their organisation, while 35.5% were not sure and 3.02% did not know. This suggests that the taxi owners need to put in more effort with regard to the statement in order to fulfil this principle of CC.

To ensure that the company is seen as a responsible corporate citizen, the King 111 report (2009) suggests that the board of the company should consider not only financial performance but also the impact of the company's operations on society and the environment, and protect, enhance and invest in the well-being of the economy, society and the environment;the Constitution and the Bill of Rights should be used as a guide to ensure the company's performance and collaboration with its stakeholders.

5.2.5 Marketing management

Marketing has been defined by different authors as a function of the organisation and as a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organisation and its stakeholders (Wilkie and Moore, 2007). The old-style definition of marketing entails the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organisational objectives (Wilkie and Moore, 2007:269).

Shultz (2007) of the American Marketing Association defined marketing as the form of constructive engagement which is a societal function and a systemic set of processes for creating, communicating, and delivering value to customers and for managing customer and societal relationships in ways that benefit local and global stakeholders of the processes. However, Shultz (2007) revealed that marketing especially macro marketing as an amalgam of markets, consists of marketing practices and marketing systems; these are aggregations in the forms of units, consumers, firms, governments or other organisations, societies, regions, countries and global alliances; with implications for social traps and common dilemmas; sub-specialisations that address competition and markets, development, ethics or distributive justice, global policy, the environment, history, and quality of life.

Marketing, however, has been described by Cant et al., (2006), as the combination of management tasks and decisions that are aimed at meeting opportunities and threats in a dynamic environment in such a way that market offerings lead to the satisfaction of customers' needs and wants to achieve the organisation's objectives as well as the objectives of the customers and society.

The role of the marketing function in an organisation is to choose the market that the organisation will serve and this is known as the target market. When choosing the target market it is essential for the organisation to know the behaviour of the customers, that is the behaviour displayed by the customers in searching for and in purchasing, using, evaluating and disposing of the products and services that they expect to satisfy their needs (McDonald and Wilson, 2011).

The responsibility of the marketing systems towards the society is to deliver the standard of living for the citizenry and also create a marketplace dynamism that nurtures and supports continual innovation and improvement so that the standard of daily life is enhanced in due time (Wilkie and Moore, 2007:273).

According to Ward (2008), the organisation needs to examine the people who are likely to be the organisations' clients or customers and redirect their marketing strategies towards achieving or meeting such perceived target clients. This is called market segmentation which is a technique used to divide the customers who have similar needs into groups. Market segmentation has certain benefits for the enterprise and Riley (2010) highlighted these benefits as matching customer needs more proficiently, increasing business profits, providing opportunities for growth, putting the organisation in a better position to retain customers, allowing business to focus on the target market and increasing market share.

Market positioning can benefit from the implementation of CC. This is about delivering what the customers want. And it is clear that customers want the companies to behave as good citizens. For example, in the UK it has been discovered that the customers think that British companies should have minimum standards of labour conditions for their developing world suppliers and some believe that social responsibility is important in their purchasing. In one survey of customer attitudes towards CC which involved 25 000 individuals in 26 countries, it was discovered that more consumers form their impression of the company on the basis of its CC practices than on brand reputation or financial factors. In this case, about 60 percent cited labour practices, business ethics, responsibility to society at large, or environmental impact as factors that influence their views of companies. So the CC plays a significant role in improving the market positioning of the company (Little, 2002:6).

The results also show that marketing management is not significantly related to corporate citizenship. The empirical results revealed that corporate citizenship is negatively related to the marketing management with r = -0.00, this means that

increasing marketing management will not improve the taxi owners' corporate citizenship.

Mokhampanyane (2003) suggested that the market can be segmented in different ways such as geographic segmentation, psychological segmentation, demographic segmentation and behavioural segmentation. Geographic segmentation is when the market has been divided by physical location, psychological segmentation refers to the segmentation done on the basis of lifestyle choices, demographic segmentation refers to the segmentation on the basis of quality choices made, whereas behavioural segmentation is based on the behavioural patterns of clients and customers.

The empirical results revealed that 51% of the respondents confirmed that their organisation has not considered their geographical location when doing their market segmentation. Maignan and Ferrell (2001) argued that the corporate citizenship may assist the organisations market themselves and their products to both external and internal customers.

5.2.6 Financial management

Financial management is according to Riley (2012) the management of finances of the business or organisation in order to achieve its financial objectives. These objectives are the creation of wealth for the business, generating cash and providing an adequate return on investment, bearing in mind the risk that the business is taking, and the resources invested (Riley 2012). Financial management for the taxi business should be properly managed in order to achieve the financial objectives of the business.

Srinivasan et al., (2013) defined the finance function as the essence of a business or a firm. They emphasised efficient handling of the finance function and defined it as the management of finance or the function of a business unit in order to realise the objective of the function in an efficient manner. The role of the finance function is the mobilisation and use of funds by a firm or business. It deals mainly with the

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procurement of funds and the careful use of funds with a view to realising the objective function of the firm more effectively.

The empirical results show that financial management is not significantly related to corporate citizenship. The corporate citizenship was found to be not related to financial management. This suggests that even if the financial management is improved the taxi owners' corporate citizenship will not be increased.

The companies can strengthen the participatory ethics of business by understanding the positive feedbacks on the interactions among the conditions of CC to their advantage. In the business case for participatory ethics of business, the company can strengthen the consumer demands for sustainable products by educating the consumer groups, and improving relationships with stakeholders through social dialogue, while close cooperation with the government authorities can contribute to the social approach of the company, thus improving its long-term conditions for profitability and growth. The company can secure its long-term competitiveness by assuming the moral responsibility (Jeurissen, 2004).

Ethical behaviour benefits the business because it attracts the customers to the firm's products, thereby enhancing the sales and profits. The employees would want to stay in the business which reduces the staff turnover, and then increases productivity. Attract more employees who want to work in the business and this can attract talented workers and reduce recruitment costs, while also attracting investors and keeping the company's share price high which protects the company from takeover (Cadbury Schweppes, 2002; UN Global Compact, 2010; King 111 Report, 2009).

Financial performance of the firm has been linked with CC as well as employee commitment and customer loyalty. CC was also seen as boosting the performance levels which in return lead to profit growth (Maignan et al., 2001).

The key elements of a financial management include the following: financial planning, financial control and financial decision-making. Financial planning deals with the output planning, budgeting, cost-benefit analysis, regulatory impact analysis

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(Riley 2012). Financial control is essential to make sure that the business is meeting its financial objectives. Under the financial control function the financial systems are put into place as well as the financial reporting requirements, and preparation of annual reports and reviews (Riley, 2012).

According to the analysis done by ICAEW (2011), the finance function renders the following activities; accounting services, compliance with the regulations, management and control, strategy and risk management, funding as well as organisational activities (ICAEW, 2011).

Khan (2014) has identified various pricing strategies which could be used by an organisation or firm, such as cost-based pricing, break-even pricing, customer-value based pricing as well as competition-based pricing. Break-even pricing strategy is used when firms determine the price at which they can recover manufacturing and marketing costs, or make a targeted profit.

However, the taxi industry is like any other business, and these activities do apply to them as well as they generate funds from their activities, which must be properly managed and comply with the regulations that govern the handling of cash. The cash generated should be recorded accurately and such information should be made available for scrutiny. Currently the industry is being transformed into a formal business and units are expected to contribute tax to the receiver of revenue (ROR) (South African Revenue Services).

Empirical results revealed that 44.8% of the respondents confirmed that the taxi industry is not making a profit, and 43.7% confirmed that the taxi organisations' financial controls are not in place. This suggests that taxi owners should put more effort into trying to put financial controls in place so that they can be able to make a profit as only 26% of the respondents agreed that they actually make a profit. Another noticeable statement was that 40.7% indicated that the taxi organisations do not always calculate a break-even point, which means that the organisations' financial planning necessities especially cost controls are not in place. If these are not in place, CC will suffer as there would not be enough funds to finance their CC

initiatives or the taxi owners might be discouraged from contributing something to the society.

5.2.7 Social cynicism

According to Bond et al. (2004), social cynicism represents a negative assessment of human nature and social events. For example, social cynicism endorses the statement that kind-hearted people usually suffer losses; this might prevent the taxi people from engaging in corporate citizenship activities and distancing themselves from the CC program and may not encourage their employees and management to participate in such programs. This might be due to their life experience where they might have seen kind-hearted people suffering; this should not be a factor in or compromise the CC within the industry because each corporation has a social obligation to sustain the communities where they operate.

To do good to society is an obligation for every individual. From the empirical results it emerged that of the respondents about 47.9% agreed with the statement while 27.1% were indifferent about the statement and only 25% disagreed. This suggests that if their belief is strong that might hinder the implementation of CC. Hence the cynicism may not be the determinant of CC in the taxi industry.

The results also show that social cynicism is not significantly related to corporate citizenship. The empirical results also found that corporate citizenship was not related to social cynicism. In this regard, a suggestion could be made that a special focus on increasing this variable will not increase the taxi owners' corporate citizenship. In Chapter 4, Table 4.7 reveals an average mean score of 3.22.

Social cynics would find themselves in a difficult position if they have to deal with conflict resolution as this requires mutual trust which is lacking in cynical people (Singelis et al., 2003). It has been found by Singelis et al., (2003) that social cynicism is characterised by low interpersonal trust, as a result of the general belief that the other will exploit you if the opportunity to do so arises.

The empirical results also revealed that belief in the statement 'I believe that powerful people tend to exploit others' was endorsed with the high percentage of those respondents who agreed with this statement of 70,9%. This means the respondents are high in social cynicism, in other words they are social cynics and tap into the broader psychological tendency to structure the social world in terms of power. These individuals tend to be hierarchical and self-serving. This might undergo a change when they want to increase corporate citizenship as they have to serve the community as a whole and look at the interests of society. This suggests that if this variable is increased then CC will have to suffer.

However, Bond et al., (2004) argued that these people tend to pursuit self-interest, and that those who subscribe to a cynical position about social life are motivated to pursue their self-welfare. The people high in social cynicism, when trying to cope with situations, tend to believe that their problems are caused by social institutions and others who impede their personal progress. These feelings are associated with wishful thinking and distancing. This can be translated in many ways such as implying that in CC anyone who pursues self-welfare would tend to ignore the needs of society, in other words they might tend to be selfish individuals who do not promote corporate citizenship.

5.3   RECOMMENDATIONS FOR FUTURE RESEARCH

The size of the sample of 96 participants was too small and derived only from the Eastern Cape Province, which placed some limitations on covering the broader population of the taxi industry. In order to generalise the findings for the entire taxi industry in the country, it is therefore recommended that the study be replicated with bigger samples that include other areas of South Africa.

5.4 CHAPTER SUMMARY

In line with the literature review and the empirical data collected it can be concluded that social dimensions (as measured by dynamic externalism) and organisational performance (as measured by operations management and human resource management) are driving elements in enhancing corporate citizenship in the taxi

industry. Focusing more efforts and resources on some of these variables will definitely increase corporate citizenship in the taxi industry.

An organisation must fulfil the definition of CC as defined by different writers by assuming the responsibility for engaging in activities such as compliance, information seeking, environmental scanning, communicating, and modification of organisational processes so as to improve the lives of the stakeholders (Maignan et al., 2001:38; Kneale, 2002).

There were however shortcomings in the study that need to be noted: firstly, the study's initially anticipated number of respondents was estimated at 100 which represented over forty percent of the organisation's personnel but only ninety-six (96%) responses were returned, leading to a small sample. It also transpired that the following variables, marketing management, financial management and social cynicism did not influence corporate citizenship. This needs further investigation in future studies. In line with the above identified shortcomings, it is recommended that the study be replicated with bigger samples that include other taxi organisations in different Provinces in South Africa.

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Annexure A: The questionnaire covering letter

Dear Respondent

I am studying towards my MBA (Masters in Business Administration) degree at the Nelson Mandela Metropolitan University Business School. I am investigating how corporate citizenship could be promoted in the South African taxi industry. I believe that my study will make an important contribution to the success of taxi businesses in South Africa.

You are part of our selected sample of respondents whose views we seek on the above-mentioned matter. We would therefore appreciate it if you could answer a few questions. It should not take more than twenty minutes of your time and we want to thank you in advance for your co-operation.

There are no correct or incorrect answers. Please answer the questions as accurately as possible. For each statement, tick the number which best describes your experience or perception. For example, if you strongly agree with the statement, tick the number 1. If you strongly disagree with the statement, tick the number 5. **Tick only one answer for each statement and answer all questions please. We guarantee your complete confidentiality and anonymity. Please note also that your participation in this study is entirely voluntary and that you have the right to withdraw from the study at any stage. Your participation in the study therefore indicates verbal consent.**

Thank you very much.
Nyameka Peko

To verify the authenticity of the study, please contact Prof CA Arnolds at 041-5043825 and cecil.arnolds@nmmu.ac.za.

Annexure B: The measuring instruments

Dynamic externality

I believe that a belief in a religion helps one understand the meaning of life.

I believe that good deeds will be rewarded, and bad deeds will be punished.

I believe that religious faith contributes to good mental health

I believe that there is a supreme being controlling the universe.

I believe that all things in the universe have been determined.

I believe that a belief in a religion makes people good citizens.

I believe that the just will eventually defeat the wicked.

I believe that religion makes people escape from reality

I believe that one will succeed if one really tries.

I believe that hard-working people will achieve more in the end.

I believe that every problem has a solution.

I believe that religious people are more likely to maintain moral standards.

I believe that religious beliefs lead to unscientific thinking.

I believe that knowledge is necessary for success.

I believe that failure is the beginning of success.

I believe that there are many ways for people to predict what will happen in the future.

I believe that ghosts or spirits are people's fantasy.

I believe that human behaviour changes with the social context.

I believe that competition brings about progress.

I believe that caution helps one avoid mistakes.

I believe that adversity can be overcome by effort.

Corporate citizenship

The directors of my organisation ensure that all necessary documentation to operate in a passenger public transport system is available with all operators.

The directors of my organisation keep all employees aware of the speed limit on the South African roads whilst commuting with passengers.

The management of my organisation always ensure that all operational vehicles are roadworthy.

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The directors of my organisation encourage the operators to keep financial records.

The management of my organisation does comply with the Labour Laws of the country.

The directors of my organisation always ensure that employees take care when commuting the passengers.

We charge a uniform price for all the route of the operation.

My bus and taxi is listed in NATIS for government control purposes.

My taxi business is registered with SARS for tax payment purposes.

We always ensure commuters reach their destinations safely.

The directors of my organisation have designed a Code of Conduct for my taxi business and for the industry.

The management of my taxi business complies with the code of conduct.

As the management of my organisation we respect opinions, feelings and attitudes of others.

The directors of my organisation display acceptable manners

The directors of my organisation ensure every operator know how to differentiate from what is right and wrong

The directors of my organisation ensure that businesses act responsibly while we making profits.

Human resources management

My organisation is registered with the various institutions as required by legislation

In my organisation, we ensure that our staff are optimally utilized

We provide extra benefits for our employees in my organisation

We sometimes employ temporary staff

In my organisation, we monitor absenteeism

In my organisation, remuneration is in line with industry norms

Employees work over time frequently in my organisation

In my organisation, employees are trained for competency

In my organisation, staff are empowered to problem solving and growth

In my organisation, we recognize and evaluate staff suggestions

In my organisation, staff are cross trained in an attempt to encourage multi- skilling

In my organisation, we make use of a disciplinary code and grievance procedure

In my organisation, we consider employing BEE strategies

In my organisation, we have utilized the services of our SETA

Operations management

I know which processes require improvement in my organisation

I am familiar with the work content of each product/ service in my organisation

Housekeeping (ensuring clean working environments and clean vehicles) is a top priority for me in my organisation

I am aware of the financial implications of service complaints

My organisation always delivers on time

My organisation never loses income due to late deliveries of services

In my organisation, we plan our service in relation to demand

In my organisation, tools and equipment are always maintained

In my organisation, we regularly inspect the quality of our service

Marketing management

In my organisation, we spend effectively on marketing and promotional activities

In my organisation, we never receive complaints from customers on products

My organisation has carefully considered our geographical location in relation to our client base

My organisation's pricing of our services is influenced by competitors

My organisation's services effectively reach their target market

In my organisation, we monitor the income highs and lows

My organisation makes effective use of its drivers

My organisation's pricing of our services is influenced by consumer requirements

Financial management

My organisation is making a profit

I know my organisation's total labour costs

In my organisation, we vary or change our prices from time to time

My organisation's cash flow is positive

My organisation can meet its business expenses

My organisation has financial controls in place

My organisation has a separate bank account

In my organisation, we always calculate our break-even point

My organisation uses a formal financial costing system

Social cynicism

I believe that to care about societal affairs only brings trouble for yourself

I believe that kind-hearted people usually suffer losses

I believe that old people are usually stubborn and biased

I believe that it is rare to see a happy ending in real life

I believe that people will stop working hard after they secure a comfortable life

I believe that old people are a heavy burden on society

I believe that kind-hearted people are easily bullied

I believe that people deeply in love are usually blind

I believe that humility is dishonesty

I believe that power and status make people arrogant

I believe that powerful people tend to exploit others.

ANNEXURE C: FORM E- ethics clearance

Nelson Mandela Metropolitan University
for tomorrow

FORM E

ETHICS CLEARANCE FOR TREATISES/DISSERTATIONS/THESES

Please type or complete in black ink

FACULTY: _Business and Economics Sciences_

SCHOOL/DEPARTMENT: _Business School_

I, (surname and initials of supervisor) _Arnolds, C.A_

the supervisor for (surname and initials of candidate) _Peko, N_

_____ (student number) _213 508 249_

a candidate for the degree of _Masters in Business Administration_

with a treatise/dissertation/thesis entitled (full title of treatise/dissertation/thesis):

Fostering corporate citizenship in the South African taxi industry

considered the following ethics criteria (please tick the appropriate block):

	YES	NO
1. Is there any risk of harm, embarrassment of offence, however slight or temporary, to the participant, third parties or to the communities at large?		X
2. Is the study based on a research population defined as 'vulnerable' in terms of age, physical characteristics and/or disease status?		X
2.1 Are subjects/participants/respondents of your study:		
(a) Children under the age of 18?		X
(b) NMMU staff?		X
(c) NMMU students?		X
(d) The elderly/persons over the age of 60?		X
(e) A sample from an institution (e.g. hospital/school)?		X
(f) Handicapped (e.g. mentally or physically)?		X

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3. Does the data that will be collected require consent of an institutional authority for this study? (An institutional authority refers to an organisation that is established by government to protect vulnerable people)		X
3.1 Are you intending to access participant data from an existing, stored repository (e.g. school, institutional or university records)?		X
4. Will the participant's privacy, anonymity or confidentiality be compromised?		X
4.1 Are you administering a questionnaire/survey that:		
(a) Collects sensitive/identifiable data from participants?		X
(b) Does not guarantee the anonymity of the participant?		X
(c) Does not guarantee the confidentiality of the participant and the data?		X
(d) Will offer an incentive to respondents to participate, i.e. a lucky draw or any other prize?		X
(e) Will create doubt whether sample control measures are in place?		X
(f) Will be distributed electronically via email (and requesting an email response)?		X
Note: • If your questionnaire **DOES NOT** request respondents' identification, is distributed electronically and you request respondents to return it *manually* (print out and deliver/mail); **AND** respondent anonymity can be guaranteed, your answer will be NO. • If your questionnaire **DOES NOT** request respondents' identification, is *distributed via an email link and works through a web response system (e.g. the university survey system);* **AND** respondent anonymity can be guaranteed, your answer will be NO.		

Please note that if **ANY** of the questions above have been answered in the affirmative **(YES)** the student will need to complete the full ethics clearance form (REC-H application) and submit it with the relevant documentation to the Faculty RECH (Ethics) representative.

and hereby certify that the student has given his/her research ethical consideration and full ethics approval is not required.

_____   30/5/2014

SUPERVISOR(S)   **DATE**

_____   30/5/2014

HEAD OF DEPARTMENT   **DATE**

_____   30/05/2014

STUDENT(S)   **DATE**

Please ensure that the research methodology section from the proposal is attached to this form.