Research Article

Study on Social Responsibility Information Disclosure of Listed Food Corporation in China

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Abstract: This paper studies on social responsibility information disclosure of listed food corporation in china. Taking 100 listed Food Corporation as a sample in 2011 in China; the descriptive statistical analysis has been done about Social Responsibility information disclosure from the aspects of three economic interests, environmental awareness and social relations. The study found: The vast majority of social responsibility information disclosure of the listed food corporations is at a lower level. More responsibility information about key stakeholders was disclosed than the other information. Therefore, the listed food corporations will be obligated to disclose social responsibility information from the legal level. At the same time the steps that establishing perfect internal system and effective corporate governance structure must be speed up to regulate the social responsibility information disclosure of listed food corporations.

Keywords: Disclosure of social responsibility information, listed food corporations

INTRODUCTION

As Chinese says "hunger breeds discontentment, food security is the first". But food safety accidents are often seen, this has seriously endangered the health and life safety of the people. "Food safety" has been put into the ordinary people's vision and also received high attention from all walks of life. In 2011 there were a number of major food safety incidents in China (Table 1).

These fully reflected that food companies have seriously deficient social responsibility. But the social responsibility of the enterprise is the core competitiveness of enterprises and is of vital importance. Therefore, through the analysis of corporate social responsibility, more information related to the corporate social responsibility can be disclosed and the corporate social responsibility has good impact on the performance of enterprise, value and core competitiveness can be fully affirmed., which enable enterprises to fully understand that the social responsibility actively can bring appreciation potential and sustainable benefits for the enterprise reputation and brand, Thus the corporate social responsibility can be implemented at low-cost (Mohr, 2005).

Chinese scholars have studied many about the social responsibility information disclosure effects on business performance. Tao (2012) studied the existing mutual restriction and mutual promoting relationship between corporate social responsibility information disclosure of and corporate financial performance in

Table 1: In 2011 the main food safety accident table in China

The event name	Occurrence time	The problem
Shuanghui clenbuterol event	3, 15, 2011	Clenbuterol
Roasted duck meat Yurun	5, 19, 2011	Lesions of lymph and pustule
Plasticizer storm	5, 24, 2011	DEHP
Quick-frozen food pathogen	10, 19, 2011	SA
Coca Cola poisoning	11, 28, 2011	Pesticide residue
Beef extract event	4, 12, 2011	Additive excess
Problems of bird's nest	8, 2011	Nitrite
Stained bread	4, 2011	Essence
Poison bean sprouts	4, 2011	Sodium nitrite

Chinese context, verified that the media attention has mediating effect on social responsibility information disclosure and corporate financial performance (Richardson, 2001).

The view that corporate social responsibility has positive influence on the development of the company is the most. That is, fulfilling their social responsibilities more, its value will be more and more highly. Therefore, enterprises especially food enterprises should fulfill their social responsibilities better and disclose more social responsibility information, improve the enterprise value (Richardson *et al.*, 1999).

This paper studies on social responsibility information disclosure of listed food corporation in china. Taking 100 listed Food Corporation as a sample in 2011 in China; the descriptive statistical analysis has been done about Social Responsibility information disclosure from the aspects of three economic interests, environmental awareness and social relations. The study found: The vast majority of social responsibility

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information disclosure of the listed food corporations is at a lower level. More responsibility information about key stakeholders was disclosed than the other information. Therefore, the listed food corporations will be obligated to disclose social responsibility information from the legal level. At the same time the steps that establishing perfect internal system and effective corporate governance structure must be speed up to regulate the social responsibility information disclosure of listed food corporations (Li, 2010; Zhumei, 2011).

EMPRICAL STUDY

Sample selection: The food corporations that have been listed before December 31, 2011 and released the 2011 annual financial report and social responsibility report were selected as the sample. In order to enhance the comparability of data and the rationality of analysis, the listed food corporations will be eliminated if certified public accountant issued retained, denied or refused to say audit opinion about them. Finally, 100 listed food corporations were selected as the study sample.

Index set and evaluation standard: Index system was set and index score was determined according to the index in this study (Table 2). If the listed food corporation disclose this kind of information to obtain 1 point, without the disclosure of information to obtain 0 point, the score of each level index was totaled, the total scores for all indexes is just the score that a sample disclose social responsibility information. The score is in the range 0-25, at the same time, each subdivision index's score can also be calculated.

The score that corporate social responsibility information disclosure is below 5 points; it means that basic social responsibility management system and the awareness of information disclosure have not yet been established, the disclosure of social responsibility accounting information lack. The score is in the 5-10 range, it is in the initial stage, the social responsibility information disclosure is not very comprehensive. The score is in the 10-15 range, the information disclosure of CSR is relatively good. The score is more than 15 points; it means the companies' social responsibility information disclosure is more complete (Table 2).

Data gathering: According to information disclosure network "The huge influx of information network "which was official website by China Securities Regulatory Commission, annual financial report and related social responsibility information of 100 sample enterprises in 2011 were obtained. The social responsibility information disclosed by the sample enterprises was collected by hand.

Analytic results: In order to reflect the level of social responsibility information was disclosed by listed food corporation, in this study, the sample enterprises were divided into four categories: active, chasing, starters and laggard, which was described in Table 3.

According to the statistical results in Table 3, we can know that the level of social responsibility information disclosure of China listed food corporations is low in a whole, Most of the company is at the start and the pursuers level.

From Table 4 we can know the score about economic interests information disclosure is the highest, the score about social responsibility, environment cognition information discloser is the lowest and there is large gap. This means that, at

Table 2: The social responsibility information disclosure index and standard score

First level index	Second level index	Third level indicators (each indicators 1 point)
Economic interest (11points)	Responsibility to shareholders (3points)	Profit sharing, The growth of enterprises(Net assets growth, growth of main business etc), risk control (policy risk, market risk, financial risk)
	Responsibility to lenders (2 points)	Debt repayment, payment according to the contract
	Responsibility to suppliers (2 points)	Stable cooperation relations, Anti-unfair competition
	Responsibility to customers (4points)	Product safety and quality improvement, service after sale, Customer satisfaction, reasonable credit policy
Environmental cognition (6 points)	Energy saving (2 points)	Using renewable resources, circular economy policies
	Pollution control (2 points)	Pollution emission reduction, purchase pollution control device
	Environmental governance (2 points)	Environmental philosophy and environmental training, The implementation of environmental protection projects
Social responsibility (8 points)	Responsibility to government (2 points)	Compliance with laws and regulations, pay taxes according to law
	Responsibilities to employee (3 points)	Employee safety and welfare (3 points), Staff training, Equality opportunity to be Employed, assessed, promoted
	Social welfare (3 points)	Charitable donation, Providing employment security, Supporting public welfare

Table 3: The classification about social responsibility information disclosure in listed food corporation

Type	The score interval (0-25)	Number of enterprises	Proportion
Positive people	More than 15 points	22	22%
Pursuer	10-15 points	31	31%
Beginner	5-10 points	37	37%
Laggard	Less than 5 points	10	10%

Table 4: The scores of first level index in listed food and beverage corporations

	Scores range	Max	Min	Average	S.D
Economic interest	0-11	10	2	5.31	1.744805
Environmental cognition	0-6	5	0	1.91	1.848259
Social responsibility	0-8	8	0	4.35	2.319766

Table 5: The score of second level index about economic interest

Economic interest	Scores range	Max	Min	Average	S.D.
Responsibility to shareholders	0-3	3	0	2.69	0.563090
Responsibility to lenders	0-2	2	0	0.68	0.736906
Responsibility to suppliers	0-2	2	0	0.64	0.643852
Responsibility to customers	0-4	4	0	1.16	0.971513

Table 6: The scores about environment cognition second level index

Environmental cognition	Scores range	Max	Min	Average	S.D.
Energy saving	0-2	2	0	0.47	0.576562
Pollution control	0-2	2	0	0.60	0.752101
Environmental Governance	0-2	2	0	0.68	0.789834

present, China's listed food corporation have take more social responsibility in the economic interest and social responsibility aspect, In contrast, responsibility in environmental cognition is badly. The score about economic interests is high, because the economic interest is the most basic social responsibility of enterprises and is mainly relied if the enterprises want to survival and develop. Therefore the enterprise disclosed the information more fully. Social responsibility information is disclosed relative good, because in recent years the government has safeguarded the rights and interests of employees. Relatively, performance of environment cognition is the worst; this shows that enterprises should further strengthen the ability that implements environmental responsibility.

The results in Table 5 show, listed Food Corporation disclose more social responsibility information about economic benefits; this is the company's basic performance to key stakeholders responsible. In the four second level indexes, responsibility of listed food corporation to shareholders is the best, its mean score is 2.69 and the mean score is much higher than the other three second level indexes. Responsibility to customers is slightly worse; responsibility to suppliers and creditors is the worst.

Listed food corporations disclosed more social responsibility information about shareholders because shareholder's liability is the most basic social responsibility of enterprises. In the modern enterprise system, the shareholders were the owner of the enterprise, maximizing their interests is the core of the problem.

Listed food corporations do not pay too much attention to creditor's responsibility, the information disclosed is not much. More responsibility information to customer is disclosed, The reason may be the significant food safety incidents in recent years is often seen, this gives enterprises the alarm, furthermore as China's market economic system continuously improving, the relevant legal regulation of product quality and safety is more and more strict, more

increasing pressure was imposed on product quality by outsiders. All of these urged enterprises to continuously improve the quality of the products. In addition, enterprise must depend on the customer to achieve the object of value creation and sustainable development. Improving the quality of product and after sale service, establishing reasonable credit policy are the effective way to win the trust of customers, enhance customer satisfaction.

The responsibility information to suppliers is disclosed less, it may be because consciousness of enterprise to disclose the responsibility to supplier is poor, On the other hand, it may be because of defects in the relevant provisions to disclose responsibility information to suppliers, so that enterprises can't fully disclose the information performing responsibility to suppliers in its annual report.

Statistic results in Table 6 show: The scores of three second level indexes about environment cognition responsibility are poor, average is all below 1 points, the highest is 0.68 (only environmental governance). There are two main reasons. first, listed food corporations were constrained by the scale of operation and performance, they have no more energy and financial resources to take environmental responsibility, Even simply do not have this consciousness, After all the implementation of environmental responsibility is to pay the cost and sometimes capital investment is very large, they must have certain economic ability to support it. Second, China's economy maintains continued, high speed growth, in order to keep a place to live in; Enterprises have to survive at the expense of the environment.

In Table 7, in three second level index of social relations, the responsibility information to government and to employee is disclosed better, the mean score is 1.63 and 1.96, respectively. The responsibility information about social welfare is disclosed less, the average score is only 0.91. The statistic results in Table 7 show that most of the listed food corporation comply with the relevant regulations and tax policies and can

Table 7: The scores of second level index about social relations

Social responsibility	Scores range	Max	Min	Average	S.D.
Responsibility to government	0-2	2	0	1.63	0.705748
Responsibilities to employee	0-3	3	0	1.96	1.171376
Social welfare	0-3	3	0	0.91	0.954468

pay tax on time actively. In order to get relaxed business environment and policy support, enterprise must have good relationship with local government agencies and conscientiously fulfill the responsibility of the government.

The information about responsibilities to employee is disclosed better. This is probably related to the relevant labor laws to promote, enable enterprises to strengthen and implement the responsibility of staff.

To the social responsibility to community welfare, this paper found in statistical process that 53 companies disclose such information. That means the enterprises are keen on this kind of social responsibility. The reason may be the charitable donation is the direct and effective way to set up good public image, to enhance the role of corporate performance and value significantly. Social responsibility information of listed food corporations to provide employment security and support public welfare is disclosed poorly, this means the enterprise has not paid sufficient attention on this responsibility. To large extent it is because community idea and service consciousness is shortage and the community and enterprises cannot contact closely related.

CONCLUSION

Most of the listed food and beverage Corporation are at a lower level in disclosing the social responsibility information. Social responsibility information to key stakeholders is disclosed more than the other information in the listed food corporation. So, the government should strengthen the duty of the listed food corporations to disclose the social responsibility Information on the environment, social welfare. Therefore, the duty that the listed food companies fulfill their social responsibility information disclosure is

mandatory constraint from the legal level, At the same time internal system must be established quickly according to the situation of China, effective corporate governance structure will be set up, so the companies were be urged to disclose more comprehensive information of social responsibility and promote the harmonious development of society.

ACKNOWLEDGMENT

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