Corporate Sustainability Reporting by Pharmaceutical Companies: Is It What It Seems to Be?

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Abstract

A well-functioning pharmaceutical industry can contribute directly to social wellbeing. For the future growth of the industry, it is important that they understand the value of corporate sustainability. In this research multi methods are used to provide a complete, holistic and contextual portrait of the CSR by Pharmaceutical companies. Firstly, we used content analysis to investigate corporate social reporting by listed pharmaceutical companies. Secondly, surveys were conducted and documented management responses. Thirdly, stakeholders' perceptions were sought in order to understand their perception. Analysis of annual reports published in 2009-2010 shows that 26.67% of listed pharmaceutical companies made some CSR disclosure. More than seventy-five percent of all disclosures are sweeping qualitative statements without any attempt at quantification. Most of the managements believe social reporting aims to strike a balance between meeting stakeholders' reasonable expectations and running a successful business. The majority of stakeholders appear to favor the mandatory requirements for CSR disclosure. This research provides us with in-depth knowledge of CSR practices of pharmaceutical industry in a developing country, Bangladesh. To our knowledge, none of the previous research explores CSR in a single industry from a developing country from multiple angles.

Key Words: Corporate Social Responsibility (CSR), Pharmaceutical Companies, Management, Stakeholder