



## CORPORATE SOCIAL RESPONSIBILITY IN THE BARS AND RESTAURANTS SECTOR: AN EMPIRICAL ANALYSIS IN SINCELEJO, COLOMBIA

Santander José De La Ossa Guerra<sup>1\*</sup>, Jhon Jairo Feria Diaz<sup>2</sup>, Boris A. Medina Salgado<sup>3</sup>

<sup>1,2</sup>Faculty of Economic and Administrative Sciences, Universidad de Sucre, Sincelejo 700001, Colombia.

<sup>3</sup>Faculty of Engineering, Universidad de Sucre, Sincelejo 700001, Colombia.

**\*Corresponding Author:** Santander José De La Ossa Guerra

\*Faculty of Economic and Administrative Sciences, Universidad de Sucre, Sincelejo 700001, Colombia.

---

### Abstract

Corporate Social Responsibility represents a pivotal paradigm shift at the intersection of free and regulated economies, challenging entrepreneurs to balance the economic and social functions of their enterprises. This study examines CSR practices of corporate social responsibility in bars and restaurants in the city of Sincelejo, utilizing the standards set by the Global Reporting Initiative (GRI) as a reference. The administrators of establishments that offer food and beverages to end-consumers in the city's four, five, and six strata were surveyed using a questionnaire. The results indicate that surveyed entrepreneurs tend to comply more with the Corporate Social Responsibility indicators established by the legal framework but show less commitment to indicators depending on their own social initiative and commitment.

**Keywords:** GRI, sustainable development, corporate social responsibility, bars, restaurants.

### 1. Introduction

In his seminal work, Frederick (1960) states that concern for CSR arose between 1920 and 1930 with the decline of the philosophy of non-intervention by the state in the “laissez fair” economic order, due to the questioning by psychology of the concept of “economic man,” by sociology of the “individualistic theory of behavior” and by anthropology of the belief in “natural rights” and “the natural order.” These facts changed the paradigm of the free economy to that of a regulated economy and imposed the need to develop a new framework to explain the social consequences of entrepreneurial activity, as well as to channel the entrepreneur’s power towards socially useful functions.

In his dissertation, Bowen (1953), considered in the literature as the father of CSR, started from the fact that the actions and decisions made by businessmen as part of the creation and management of their businesses have an impact on the benefit and/or detriment of the rest of society, especially in aspects related to people and the use of natural resources. In this sense, it states that “CSR refers to the obligations of businessmen to apply policies, make decisions or follow lines of action that are desirable in terms of the objectives and values of our society’ (p.6). This implies that the entrepreneur searches for a balance between the economic function of generating profits and the social purpose of

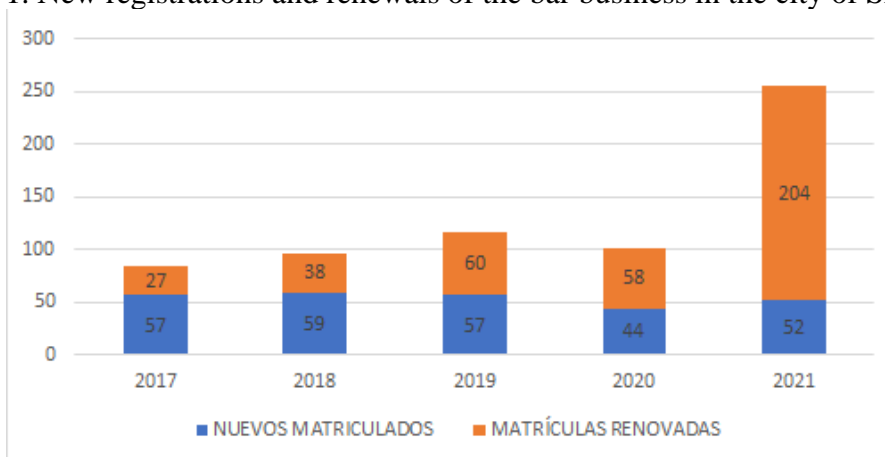
the company, a balance that, in Brown's analysis, the entrepreneur generally seeks because society obliges him to do so through public regulation.

On the other hand, the need for recreation and eating out has made the bar and restaurant sectors a promising sector for economic activity at the national level. This business format is classified under ISIC code 5630 and defined as "The sale of alcoholic beverages, mainly for consumption within the establishment with or without table service, offers the possibility of presenting some type of show. Additionally, they can provide restaurant service and some usually adapt a space for dancing"; according to DANE, at national level it was one of the sectors most hit by the Covid-19 pandemic, presenting a fall between 2019 and 2020 of 30% of its nominal income, 13.1% of the employed personnel and 10.4% of salaries. However, during the same period, 30,155 units of this type of business were established in Colombia (Castro Duque, 2021).

With respect to the city of Sincelejo, Figure 1 shows the business units registered as new, with the renewal of license plates between 2017 and 2021. The increase in the renewal of registration, observed in 2021, was due to the need for businesses to comply with the Police Code and some directives of the Municipal Mayor's Office; in order to reactivate their operations after the mandatory closure due to the Covid 19 pandemic, they had to implement biosafety protocols endorsed by the Health Secretariat, which required the endorsement of such protocols, the certificate of existence, and legal representation issued by the Chamber of Commerce. Regarding the creation of new businesses in the sector, the referenced graph shows that for 2021, the same levels (above 50 new businesses) from 2017 to 2019 will be maintained.

Considering the dynamics of the bar and restaurant sectors, the purpose of this study was to determine the corporate social responsibility (CSR) actions of this business format in the city of Sincelejo using the GLOBAL REPORTING INITIATIVE (GRI) standards as a frame of reference.

Figure 1. New registrations and renewals of the bar business in the city of Sincelejo.



Source: Own construction based on information from Sucre Chamber of Commerce.

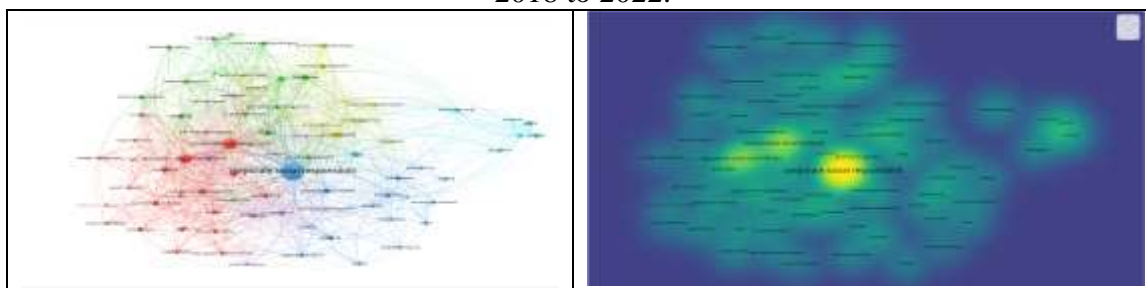
## 2. Theoretical Framework

### 2.1 Corporate Social Responsibility (CSR)

Several authors have highlighted the ideologies that contextualize the actions of corporate social responsibility, through the categorization of rhetoric that give meaning to the concept. For example, Porter and Kramer (2006) proposed the validity of four schools, among which the ethical, sustainable, governmental obligation, and reputational approaches stand out. In this regard, Ortiz (2013) highlights the ethical school, the reputation approach, which he calls the instrumental school, but which evidences the same rhetoric oriented to achieve and maintain a good name: a school that he calls political, oriented to the spheres of power, and finally, an integrative school oriented to satisfy the demands of stakeholders. Finally, Ramos-Enríquez et al. (2021) highlight the diversity of approaches to understanding CSR, considering that in some cases, it is related to legal obligations, in others to philanthropic actions, and in others, to marketing actions with a reputational focus.

It should be noted that with respect to CSR, business theory and practice show the need for ethical behavior on the part of the entrepreneur with respect to the social commitments arising from business activities, as well as the legal and regulatory component involving the legal system that is part of the organizational context, which in most cases impose mandatory measures; last but not least, the reputational component, which is considered by businesses as an intangible asset, known in business jargon as good will. However, a literature review of publications in the areas of business, administration, and finance indexed in Scopus shows that the topics to which the concept of CSR is most closely related are the concepts of sustainable development and the economic and social effects of business activity, as shown in Figure 2.

**Figure 2.** CSR literature trends in Business, Management and Finance published in scopus years 2018 to 2022.



Source: own construction using VOSviewer software

Conceptual delimitation of sustainable development (SD) implies social, environmental, economic, and financial well-being, considering the demands of society with respect to greater responsibility in business activities. This requires a true approach in the permanent and daily actions of businesses, which allows them to comply with the SD maxim proposed by the UN in 1987, in the sense that they (i.e., businesses) “must meet the needs of the present without compromising the ability of future generations to meet their own needs” (Visser and Brundtland, 1987, p.35). The adoption of SD in business has been taking place through CSR, in which the interests of stakeholders are aligned with business strategy, putting into practice the concept of the triple bottom line—financial, environmental, and social—as the principle of balance of sustainable business. There is a need to measure these integrated utilities, which is why, in the literature and business activities, a line of work has been developed to standardize the social and environmental reporting of organizations where highly structured methodologies can be found, such as the GRI (Contreras-Pacheco et al., 2017; Osman and Kadri, 2022).

Similarly, Porter and Kramer (2006) point to the importance of civil society and governments acting as watchdogs of the social and environmental impacts of business operations. They also point out that in some cases, this has led some businessmen to take a cosmetic approach to CSR, which they pretend to fulfill with simple acts of philanthropy, communication, or public relations actions in which they show themselves to be good citizens, or by complying with the minimum or basic regulations imposed by governments through legislation. In contrast, the authors argue that businesses should view CSR as “a source of opportunity, innovation, and competitive advantage”.

Finally, Duque Orozco et al. (2014) suggest that the beginning of the study of CSR is based on the concept that all actions and decisions taken by entrepreneurs have a direct impact on the quality of the rest of society; therefore, CSR implies a public stance towards the economic and human resources of society, which the entrepreneur uses to generate profits. CSR also implies that organizations comply not only with the economic and legal obligations imposed by the legal system, but also with certain voluntary responsibilities that the businessman must assume with society. In other words, being socially responsible implies going beyond the minimums required by the legal system and having a positive impact on human capital, the environment (social and environmental), and relations with stakeholders. In this sense, the company's objective, rather than making profits, is to create a shared value.

### 3. Methodology

#### 3.1 Methodological consistency

Field research was conducted using a qualitative approach (Hernández-Sampieri & Torres, 2018; Méndez, 2015) with a cross-sectional descriptive design. An on-site questionnaire was applied to a random sample of ten (10) managers of businesses that sell food and alcoholic beverages to the final consumer, these 10 interviews represent 66% of the establishments that were operating at the time of sampling, since their transitory strategy to achieve post-pandemic economic recovery has been to group together in order to reduce fixed costs and increase the offer to their consumers. The segment of the sampled businesses corresponds to the pink zone of strata 4, 5, and 6, which is considered exclusive to the city of Sincelejo. The methodological consistency is presented in Table 1.

**Table 1. Methodological Consistency**

Objetivo	Diseño Metodológico	Técnica Utilizada	Población/muestra	Producto
Caracterizar las acciones de responsabilidad social, implementadas por diez (10) bares de la zona rosa de estrato alto en la ciudad de Sincelejo.	Enfoque: Cualitativo Tipo de estudio: Descriptivo Medición: Transversal	Cuestionario	Diez (10) bares de la zona rosa de estrato alto de la ciudad de Sincelejo	Análisis diagnóstico de la responsabilidad social empresarial de los bares muestreados.

Source: Own elaboration based on GRI fundamentals.

To construct the questionnaire, the standard identified as “fundamentals” of the GLOBAL REPORTING INITIATIVE (GRI), validated at the international level as an instrument for the preparation of sustainability reports, was used as a reference framework. The principle of this standard is to identify the activities, impacts, and stakeholders in terms of CSR. In that order of ideas, the present study was directed to identify the activities, considering the stakeholders and the impacts in the business context of the sampled bars, in this regard the conceptualization of materiality defined in the referenced standard establishes that the significant economic, environmental and social impacts of the reporting organization must be identified and reported (Gri, 2016; Alonso-Almeida et al., 2015). Consistent with the above, the questionnaire was structured considering the categories listed in Table 5.

**Table 2. Conceptual structure of the questionnaire applied**

Grupos de interés	Preguntas en el cuestionario	Impacto
Gobierno	Se indagó sobre la formalización del negocio y las responsabilidades impositivas del mismo. (P. 1, 2)	Económico
Empleados	Se indagó sobre los esquemas de contratación, los esquemas de trabajo Flexible, por necesidades del trabajador y aspectos de inclusión. (P. 3,4,5)	Social
Clientes	Se indagó sobre los controles para que los clientes no excedan el consumo de bebidas alcohólicas, los cuidados a estos, en caso de excederse y la educación al interior del local con publicidad que informe que el exceso en el consumo de bebidas alcohólicas es perjudicial para la salud. (P. 6,7,8)	Social
Comunidad	Se indagó sobre los controles al consumo de servicios públicos (energía, agua y gas), la práctica de reciclaje y en general, los impactos ambientales del negocio. (P. 9, 10, 11, 12, 13, 14)	Ambiental
Proveedores	Se indagó sobre los controles del negocio, para evitar el ingreso al mismo de bebidas adulteradas y bebidas de contrabando (P. 15, 16).	Económico y social

Source: Own elaboration based on GRI fundamentals.

Sampling was conducted on August 6 and 7, 2021, in the afternoon. The information was collected using the “google form” tool. Excel was used for data analysis.

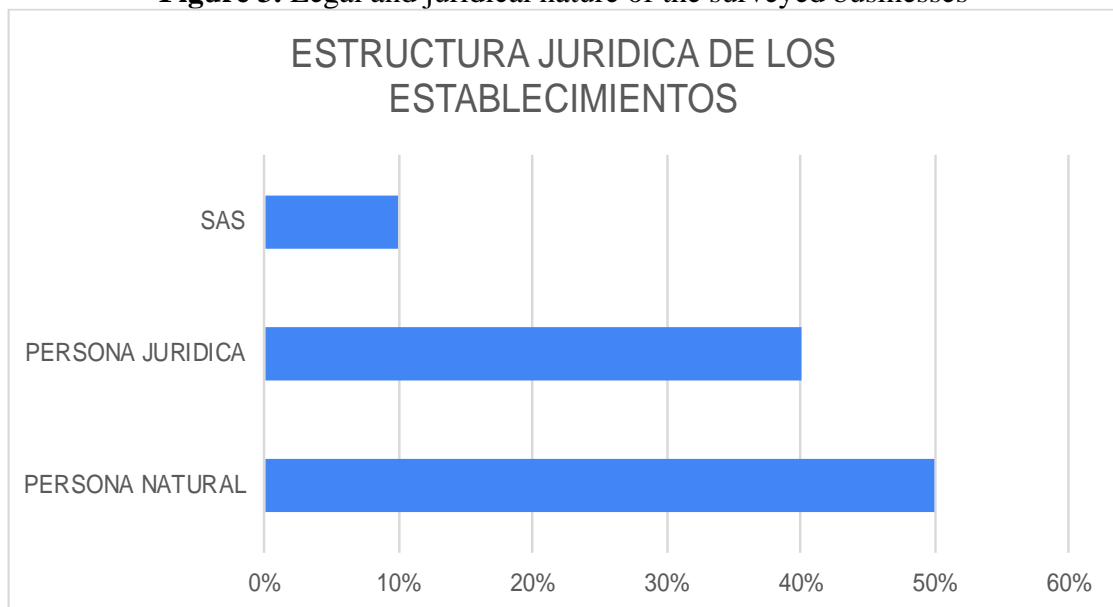
#### 4. Analysis and Discussion of Results

The results were classified and categorized according to the stakeholders.

##### 4.1 Government

With respect to the two aspects that were investigated in relation to the government stakeholder group, it was determined that: 1) 100% of the businesses surveyed were duly formalized, 40% were constituted as legal entities, 10% as SAS, and 50% as natural persons. 2) 100% of All businesses are liable to excise taxes and VAT, which represents a positive economic impact. Porter and Kramer (2006) stated that this corresponds more to CSR actions in compliance with the established legal system than to the will of entrepreneurs, since formalization (activation in the chamber of commerce) increased in the sector due to the obligations imposed by the municipal authority. Figure 3 shows the legal forms of the establishments in the sector.

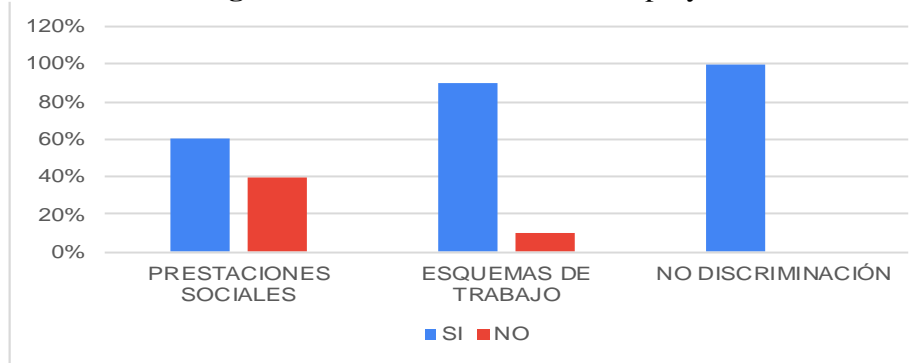
**Figure 3.** Legal and juridical nature of the surveyed businesses



##### 4.2 Employees

Figure 4 presents the results considering the interests of the workers, with 60% of the businesses surveyed acknowledging that they provide all the benefits provided by law in their hiring processes, 90% managing flexible work schemes that favor their employees, and 100% consistent with non-discrimination on grounds of ethnic origin, gender, economic position, religion, or political ideology. With respect to the interests of workers, the results found can be framed within the framework of Bowen's (1953) approach to CSR, taking into account that the businesses sampled guarantee actions for non-discrimination and most use flexible work schedules to meet the needs of their workers; however, 40% recognize that they do not have hiring schemes that include all the benefits provided by law, which has a negative impact on workers and society in general, as the business does not contribute to the social protection system in terms of health, family subsidies, and savings for old age.

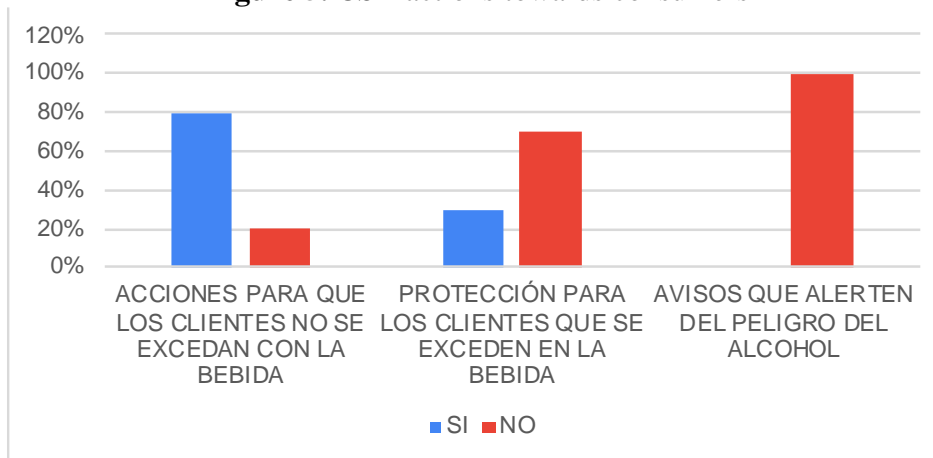
**Figure 4.** CSR actions towards employees



### 4.3 Customers

Figure 5 shows the results with respect to the relationship with and care for customers: 80% of the businesses surveyed reported having procedures to ensure that customers do not overindulge in alcoholic beverages; 70% stated that they had no protection service for users who overindulge in alcoholic beverages, based on the fact that their businesses are not designed for people to get drunk, but rather to have a good time. An important fact to highlight is that, in 100% of the businesses visited, there are no notices informing or illustrating that the excess alcohol is harmful to health, based on the fact that such messages are printed on beverage containers by legal provisions. This fact is contrary to the SD postulates raised by Contreras-Pacheco et al. (2017) in the sense that, with these actions, the surveyed businesses do not consider the concept of the triple bottom line since they leave aside social welfare.

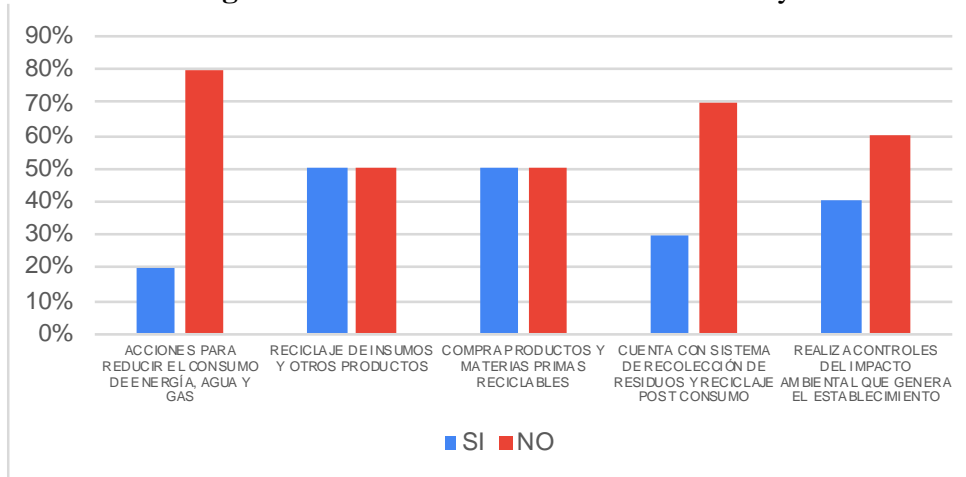
**Figure 5.** CSR actions towards consumers



### 4.4 Community

With regard to environmental impacts, 80% of the businesses surveyed stated that they had no procedures in place for saving energy, water, or gas; 50% did not promote recycling, nor did they purchase recyclable products or raw materials; only 30% had waste collection mechanisms; and 40% controlled the environmental impact generated by their activities. These environmental impacts are contrary to what was stated by Visser and Brundtland (1987), as most of the surveyed businesses do not have thoughtful and conscious mechanisms for saving energy, water, or gas, nor do they have mechanisms for waste collection. In addition, they did not control for environmental impact. Figure 6 shows the results obtained.

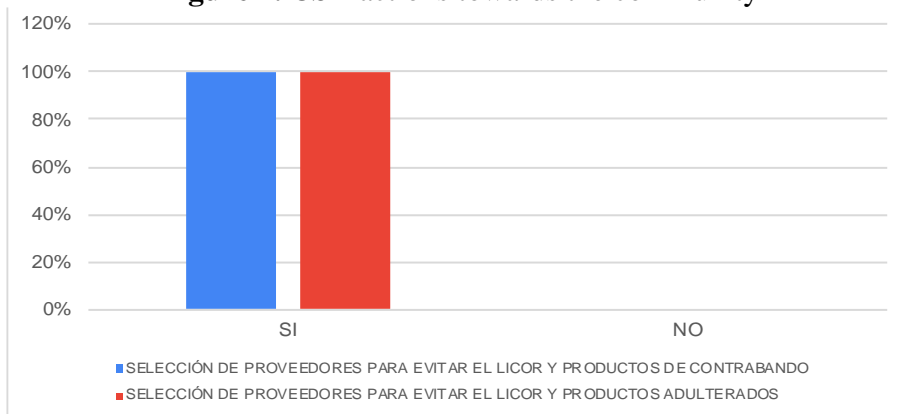
**Figure 6.** CSR actions towards the community



#### 4.5 Suppliers

With regard to suppliers, 100% of the businesses surveyed, claim to have established selection criteria to avoid the entry of adulterated or contraband liquor into their inventories, among these criteria, they highlight the contracting with suppliers recognized and authorized by the brands, the use of QR code and stamp validation. The results of this study are consistent with the postulates of SD and CSR proposed by Contreras-Pacheco et al. (2017) and Duque et al. (2014). The results are shown in Figure 7.

**Figure 7.** CSR actions towards the community



#### 5. Conclusions

The businesses surveyed in the city of Sincelejo showed compliance in terms of SD and CSR framed in the issues required by the legal system, and there was little compliance in indicators that depended on the will of the entrepreneur. The results show that the sector has a legally formalized business structure, but this is related to the situation that arose from the Covid 19 pandemic, since the municipal authorities demanded formalization to continue with the operation of the business and access benefits granted by the government to strengthen and better structure the businesses. The economic impact of the pandemic motivated survival strategies for the sector, since at the time of the survey, it was evident that there were alliances between businesses that joined together to expand the supply of products to the consumer and motivate greater demand.

It is necessary to improve fair labor schemes to motivate workers and chain them to the economic cycle that generates reactivation that will favor the regional economy in general. There is evidence of failure in the care and protection of the consumer; it is necessary to generate user protection schemes, considering that the behavior of the user is modified by the effect of the products offered by the business. It is also necessary to emphasize environmental education campaigns that educate

communities and businessmen on the usefulness of recycling, reusing, and maximizing the use of raw materials and assets.

The overall results of the study confirm the validity of the “regulated economy” paradigm. Although bar and restaurant owners in the city of Sincelejo are developing their businesses in the context of CSR, there is a strong tendency to comply more with the factors and indicators required by the legal system. The field of CSR offers many opportunities for the development of scientific research, especially empirical research processes, considering that this theoretical domain has been consolidated from the “must be”; that is, there is a lot of literature oriented to conceptually determine what the construct is about, and which are the universally highlighted actions. This has unleashed a trend around “self-reporting,” where companies are concerned about communicating or disclosing very well elaborated information on the actions that they consider make them socially responsible. In this context, scientific research should be oriented towards developing empirical work that validates the reality of the practice, considering different industrial sectors.

Although the sample considered for the development of the work represented 66% of the businesses authorized at the time, the collection of information could somehow represent a weakness for the study, considering that the data were collected through a questionnaire answered by the person responsible for the business; that is, the conclusions were consolidated from information collected from self-reports. Methodologically, it is important for future studies to contrast techniques to ratify the information collected in the questionnaire.

## References

1. Alonso-Almeida, M. del M., Marimon, F., & Llach, J. (2015). Dissemination of sustainability reports in Latin America: territorial and sectoral analysis. *Estudios Gerenciales*, 31(135), 139–149. <https://doi.org/10.1016/j.estger.2015.01.002>
2. Bowen, H. (1953): *Social responsibilities of the businessman*, 1. ed., New York: Harper
3. Castro Duque, S. (2021). How did Colombian bars and restaurants fare in 2020?, in *Grupo Bancolombia*.
4. Contreras-Pacheco, O. E., Avella, A. C. P., & Pérez, M. J. M. (2017). Impact investment as a way to boost sustainable development: A multi-case company-level approach in Colombia. *Estudios Gerenciales*, 33(142), 13–23. <https://doi.org/10.1016/j.estger.2017.02.002>
5. Duque Orozco, Y. V., Cardona Acevedo, M. de la M., & Rendón Acevedo, J. A. (2014). Corporate Social Responsibility: Theories, indexes, standards and certifications. *Cuadernos de Administración*, 29(50), 196–206. <https://doi.org/10.25100/cdea.v29i50.55>
6. Frederick, W. C. (1960). *GrowingConcern frederick.pdf* (pp. 54–61). <http://www.williamcfrederick.com/articles/GrowingConcern.pdf>
7. Gri, N. (2016). Gri 101: fundamentos 2016 101. *GSSB Global Sustainability Standars Board*, 1(1), 30.
8. Hernadez-Sampieri, R., & Torres, C. P. M. (2018). *Research Methodology the quantitative, qualitative and mixed routes*. (M. G. Hill, ed.).
9. Méndez, E. (2015). *Research trends in social sciences and Research trends in social sciences and arts : transcomplexity*. 7–14.
10. Michael E. Porter, & Mark R. Kramer. (2006). Strategy and society. *Harvard Business Review*, 1–14.
11. Ortiz, N. P. D. (2013). 2012 CSR as an expression of the advancement of human knowledge from the CO. *Cuadernos Latinoamericanos de Administración*, 16, 121–131.
12. Osman, H., & Kadri, A. (2022). Compliance and Rhetoric in Sustainability Reports Published by A Malaysian Plantation Company. *Pertanika Journal of Social Sciences and Humanities*, 30(4), 1895–1916. <https://doi.org/10.47836/pjssh.30.4.22>
13. Porter, E., & Kramer, M. R. (2006). Strategy and society. *Harvard Business Review*, 3–15.
14. Ramos-Enríquez, V., Duque, P., Andrés, J., & Salazar, V. (2021). *Corporate Social*



*Responsibility and Entrepreneurship: evolution and research trends.* 13, 1–34.  
<https://doi.org/10.17081/dege.13.1.4210>

15. Visser, W., & Brundtland. (1987). *Report of the World Commission on Environment and Development: Our common future.* Washington, D. C.: UN Documents.  
[https://doi.org/10.9774/gleaf.978-1-907643-44-6\\_12](https://doi.org/10.9774/gleaf.978-1-907643-44-6_12)