

# Contribution Of Social Audit Practices To The Individual Performance: The Case Of Moroccan Companies Labelled On CSR

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**Abstract:** This article aims to analyze the impact of social auditing practices as a social steering tool on individual performance which is an important element in the measurement of organizational performance. In fact, this paper opts for an empirical study on a sample of Moroccan companies with the Corporate Social Responsibility label. The study has shown that social auditing practices in the field of human resources management actually affect the degree of individual performance and improve the social performance of the company.

**Keywords:** Social audit, Individual performance, Corporate Social Responsibility, Moroccan companies

## 1. Introduction

For a long time, managers have been looking at improving the technical effectiveness of their organizations, but they have often encountered technical management of these materials. A management that can only be carried out through an effective presence of Man; thus, the major role of Human Resources Management. Progressively, the latter appears as a main wealth of the company that managers must put at the center of their concerns. However, to achieve this goal of managerial success, managers need to know how to assess the effectiveness and conformity of the different activities of this critical function, and the role of social audit which constitutes a real know-how. It must be a fundamental tool of help and assistance to the management, and to the piloting of organizations. It bases on skills essential to the implementation of a strategy of development of the human potential of the company. Also, social audit has to suggest orientations for the adoption of the procedures and the actions and contribute so to the improvement of the individual performance of the employees. When the necessity of improving the functioning and the performance of an organization is recognized, the social audit -by the rigor of its approach, the relevance of its reference tables and the validity of its reports- allows to propose appropriate recommendations and to improve the global performance of the organization. Today, the big problem of companies is the performance of the employees; how to renew the social pact between the company and its employees so, the company has to manage to set up a new social contract. The social audit turns out then to be an extremely useful tool to reconstruct this social contract by means of its approach, its tools and its indicators. This paper measures the impact of social audit practices on the individual performance of the employees. In order to do so, Literature review must be mentioned first, then present the concept and the empirical results of this study., afterward, we shall present the concept of social audit and to finish, we go the main empirical results.

## 2. Individuel Performance: A literature review

As was previously underlined by several authors, the concept of individual performance has not been tackled that much before. Most of the studies are attached to the study of evaluation criteria. However, recent studies however boost the search on this subject (Charles-Pauvers Brigitte, Commeiras Nathalie, Peyrat-Guillard Dominique and Roussel Patrice, on 2007, p. 98) [3]. The concept of individual performance, with regard to the given definitions, appears to be as relatively recent. Can one speak about performance within the framework of the scientific management elaborated by Taylor? He would be more sensible to speak about productivity, by the maximal use of the equipment, the strict specialization and the abolition of the useless gestures. The performance designed, under this angle, as an indicator which aims at measuring the professional success or the results reached with regard to the fixed objectives. The definition of the performance by Motowidlo strongly contribute to the renewal of her thought on the concept of individual performance. His definition is the following one: "the performance in the work is defined as the total value waited by the organization of the episodes of discreet behavior which exercises an individual during a given period" (Charles-Pauvers Brigitte, Commeiras Nathalie, Peyrat-Guillard Dominique and Roussel Patrice, on 2007, p. 98) [3]. Motowidlo moves forward the hypothesis according to which the performance sends back to behavior and not to results. That is necessary to specify the difference made by the author between behavior and performance, the behavior being what the employees make, and thus the performance is the value waited by the company - that it values - of what the employees make. Thus, it is the property of the behavior that aims at recognizing the part of the individual contribution by the collective results. In this way, the performance is not an action but an evaluation or a judgment concerning a task or an activity. Other aspect of the performance consists in the result of the tasks or the

activities. It is then the number of assembled cars or the number of the sold properties. The difference is that this aspect of the performance can depend on outer factors independent from the performance accomplished in the task or activity. In practice, it seems difficult to make distinguishing parts between these two aspects of performance. If performance consists only of tasks or activities that directly serve the goals of the organization, it is complicated to ignore external factors that may influence performance.

### 3. The social audit: a tool for measuring human resources management

Through recent discipline, the social audit knew a sensitive evolution since its beginning. As a particular declension of the operational audit, the social audit presents a big similarity with the other branches of the audit, computing, logistics, purchases, etc. By this first approach, the social audit is contemporary of the increase in importance power of the missions of audit which can be dated to the beginnings of the fifties. The expression " social audit " appeared, as the case may be, by different CSR ways: desire to know and to verify the social and wage costs, the will to master problems of employment and renewal of the qualifications, the concern to verify the application of the labor law required to check the way of functioning of decentralized units, etc. Neither the idea of audit, nor the expression of social audit are obvious for all. The only fact of using the word audit is more perceived, today still, in a dramatic prospect of control and the penalties, than by thinking of a way of better knowledge of the reality, the increase of the lucidity and the decision-making support.

#### 3.1 Definitions

Defining the social audit as such is not an easy task because, until now, there is no current definition of the social audit despite an agreement regarding the different aspects of its practice such as: conformity control, analysis, observation, diagnosis, etc. However, since its appearance until today, several definitions have been proposed by different authors and institutions, among which a few are selected. The various naming which can be found in the literature result from the diversification of the missions of social audit. In fact, the audit applies to the social domain change naming every time the mission as well as the methods used to handle a social problem change. Nevertheless, the objectives of the social audit are always the same or almost. It is truly the improvement of the efficiency and the efficiency of the practices and the decisions which affect closely or remotely the staff. In the literature, there are three different naming: social audit, audit of the Human resources management and the audit of function staff. The first one is used in France, while the second and the third definitions are used North America. As there is no important difference of contents between the three, we shall use indifferently three terms for designate the same notion. the following part clarifies this notion by presenting the definitions which various authors, who tried to define it: A first definition was proposed by (Stephen, on 1970) [12]for whom " the social audit is the analysis of the politics, the programs and the practices of an organization, and the evaluation of their efficiency and their efficiency ". But this definition does not specify enough the used method and the various stages which the auditor has to browse. In the Encyclopedia of management, "the social

audit arose from the application of the approach of the operational audit in the human resource. A social audit contains opinions emitted (uttered) by an independent and competent listener (auditor) on the quality of the social information and on that of tools of social piloting of an organization ". In 1972, Torrence [13] suggested defining the social audit as " an analysis of the politics and the practices of staff of a company, or an establishment, to determine the efficiency and the legitimacy of the politics ". That in particular of Humble in its book "Social Responsibility Audit" for which the social audit is the audit of the social responsibility of the company face to face of its internal environment (relations with the employees), as well as towards its external environment (relations with the shareholders and the investors The one that VATIER proposes in 1980 [14], is more centered on the methodology: "the social audit is an instrument of direction and management and an approach of observation, which, following the example of the financial or accounting audit, in this domain tends to estimate the capacity of a company or an organization to master the human or social problems which puts to him his environment, and to manage those whom it arouses itself by the employment of the staff necessary for its activity". As for Couret and Igalens, (1994) [6], they propose a briefer definition; "the social audit will have for mission to analyze every risk factor and to propose the recommendations likely to reduce them". So, according to Candau (1990) [1], the social audit is a methodical approach which allows to notice facts by means of indicator, to pull gaps by basing itself on a reference table. "The social audit is defined according to the ISA as being a form of observation which tends to verify that an organization actually realizes what it has, that it makes best use of its ways, that it keeps its autonomy and its heritage, that it is capable of realizing what it mentions wanting to make, that it respects the rules of art and knows how to estimate the risks which it runs".

#### 3.2 Typologies of the social audit

At this level, various classifications of social audit were held (retained). Were retained from Martory's quote[11], which distinguishes between the following forms: The audit of conformity : he objective is to estimate the concordance of the social information and the results obtained in rules and internal and external standards; The strategic audit: the objective is to estimate the value of the people and the risks bound to their presence and to their mobility. The audit of the efficiency of the social management: aims at the evaluation of the degree of fulfilment of the objectives while respecting the constraint of efficiency.

#### 3.3 Objectives of the social audit

The major interest of the social audit is translated by the application of practices regarding HRM in companies, and by the development of an evaluative diagnosis of the risks and the opportunities in the organization. So, companies are brought to develop programs connected to the HRM and intended to value the strategic skills in the optics to realize performances hard to imitate on the labor market and to harmonize the economic relations and of exchange between the concerned firms. The missions of audit of the functions offices Human resources become rather frequent (Combemale and Igalens (2005) [5]. As it is indicated (Guillard and Roussel (2005) [9], the function " human

resource " is going to condition, on one hand, the quality of the partnership which has to be established between both parts, and on the other hand, driving element to realize the earnings of synergies. The process of reorganization of the company grants a priority to the short-term career plan to adapt itself permanently to the constraints generated by the evaluation of the strategic needs in human resources, the identification of the skills required to realize the strategies and the organizational vision, the management of the recruitment and the integration of the employees and the frames, the training, the evaluation of the performances and the promotions, the successions and finally the management of the performances. It is in this context that companies try to rebalance their resources thanks to modes of strategic relations. The working hypothesis consists on the quality of the social audit and the lever that it establishes for the improvement of the relation undertaken employee in term of individual performance. Indeed, a company which would not be socially responsible with its employees has few chances of the being with its external environment [2] Cappelletti (2006).

#### 4. Impact of social audit practices on individual performance: an empirical study

##### 4.1 Methodology

With regard to the literature review realized, the question of search is formulated as follows: what is the impact of the practices of the social audit on the individual performance of the employees in the work? the hypothetic-deductive approach is chosen for this study to make the search. This approach goes from the general to the private individual and consists in determining a theory of general reach before verifying it in a particular situation. We aim, within the framework of this search, at verifying the impact of the practices of the social audit on the social performance of the company. To validate the hypotheses of the link between the social audit and the individual performance, we began a more concise quantitative approach and which completes literature. This approach bases itself on questionnaires administered with companies having the label of the CSR. This study brings concrete answers to the contribution of the practices of social audit to the improvement of the individual performance of the employees. The empirical study concerns 85 certified companies by the label CSR. These companies are certified according to the societal notation of Vigeo. 68 companies answered our questionnaire and which suits a 80 % response rate which is very significant statistically. The statistical instruments used to answer our objectives of search are: the analysis of the correlation and the factorial analysis with main component. In conclusion, the set of the statistics was realized with the software SPSS.

##### 4.2 Results and discussions

The analysis of homogeneity gives a good level of reliability for the first factorial axis, as well as for the second factorial axis (83,6 % for the first axis and 71,3 % for the second factorial axis). The first factorial axis explains 33,7 % of the available total information, whereas the second factorial axis contributes in the knowledge of 22,5 % of the total information concerning the social audit. The Set of both axes forms the factorial plan explaining 56,3 % of the available total information.

**Table 1:** Summary of the models of the variable social Audit

Dimension	Cronbach Alpha	Variance represented	
		Total (Own value)	Inertia
1	.836	4.385	.337
2	.713	2.928	.225
Total		7.314	.563
Average	.787	3.657	.281

Further to the tests of independence and correlations, we were able to obtain the most representative components of the practices of social audit in the investigated companies. According to the results of the test of correlation, individual performance and the social audit are positively correlated. It allowed to say that the practices of the social audit impact positively on the individual performance.

**Table 2 :** Correlation test

		Social audit	Individuel performance
Social audit	Correlation coefficient	1,000	,458**
	Sig. (bilatéral)	.	,000
Rho de Spearman	N	68	68
	Correlation coefficient	,458	1,000
Individuel performance	**Sig. (bilatéral)	,000	.
	N	68	68

\*\* : The correlation is significant at the (bilateral) level 0,01.

The quality test of adjustment allowed us to measure the level of significativity of the model. Indeed, the model is significant because  $R^2 > 0,67$  according to Chin (1998) [4].

**Table 2:** The R2 fit quality test

	R Square	R Square Adjusted
Individuel performance	0,349	0,339

**Table 3:** Hypothesis test

Representative way	Coefficient of the path $\beta$	T value
Social audit $\rightarrow$ Individuel performance	0,621	7,757

The coefficient of the path has a positive value ( $\beta = 0,621$ ) and significant ( $T > 1,96$ ). The path is thus significant and confirms a strong influence ( $\beta > 0,3$ ) practices of social audit on the individual performance of employees, that allows to validate our question of research.

## 5. Conclusion

Numerous empirical studies confirmed the positive impact of social audit practices and the social piloting on the individual performance of the employees. The results of our research join these studies. The practice of the social audit influences positively the individual performance of the employees to the company. In the Moroccan context, we can confirm that the Moroccan companies can bet on their human resources to improve their performance in term of competitiveness,

market and share of innovation. For that purpose, a change of managerial spirit is imperative to reconsider the role of human resources within the company. The Moroccan companies need more than ever a clear strategic vision, relevant strategic processes of reflection, adapted levers of action and effective tools of control and piloting.

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