

Chinese Textile and Apparel Manufacturers' Perceptions, Goals and Structures Toward Corporate Sustainability

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With the emphasis on the sustainable development by Chinese government and the introduction of China's first industry-level social responsibility management system for the textile and apparel (T&A) industry in 2005, Chinese T&A manufacturers have been paying more attention to and putting more efforts on fulfilling their responsibility toward sustainability (CNTAC, 2014). However, researchers argued that Chinese T&A companies' fulfillment of social responsibility are more likely motivated by the external pressure, and takes place mostly in an inconsistent way (Cooke & He, 2010; Yuan, 2015). Ha-Brookshire's (2015) Moral Responsibility Theory of Corporate Sustainability (MRCS) argues that how corporations perceive sustainability as a moral responsibility is a decisive influence on their sustainability performance. If corporations view sustainability as a perfect duty, that is, a universal and absolute obligation that should be met in all situations and circumstances, they will perform sustainability comprehensively and entirely. If corporations perceive sustainability as an imperfect duty, or a meritorious obligation, they will choose to how to perform it under certain circumstances, leading to an optional and partial fulfillment of sustainability. Besides, according to MRCS, having clear goals toward sustainability and well-defined corporate structures to achieve the sustainability goals are also basic requirements for corporations to implement sustainability consistently. Thus, depending on the companies' perceptions, goals and structures toward sustainability, MRCS gives a spectrum of companies from truly sustainable to occasionally sustainable in all or selected areas. This theory has yet to be tested in the Chinese context and, therefore, this study was designed to survey Chinese T&A manufacturers' views on sustainability, as well as their corporate goals and structures toward sustainability.

An online survey method was employed to investigate participants' views on their companies' perceptions, goals and structures toward each of the listed sustainability-related activities. We used Yang and Ha-Brookshire's (2018) sample as a source to obtain Chinese T&A corporations' sustainability activities as the main survey items. They included a total of 48 different activities in the four main areas: (1) environmental protection [EP, 16 items]; (2) righteous operation [RO, 10 items]; (3) public welfare involvement [PW, 8 items]; and (4) labor relations [LR, 14 items]. For each item, the survey asked 3 questions: (1) what do you think your companies' perceptions of the following activities toward sustainability? (SQ1) [A 5-point Likert scale measurement was used for the answering— '1- absolutely no need to do at all'; '2 - no need to do'; '3- may or may not need to do'; '4 - need to do'; '5 - absolutely must do in any circumstances]; (2) do you believe your company has clear goals on the following activities? (SQ2) [Yes or No]; (3) do you

believe your company has established well-defined structures or systems to implement the following activities? (SQ3) [Yes or No]. This survey was first pilot tested by Wenjuan.com with 50 participants. After minor adjustments, a total of 300 useable responses were collected in fall 2018. The target sample framework was set to be employees over 18 years old and working in the current textile and apparel manufacturing company for at least 6 months.

We first reviewed the answers of each item to SQ1 and found only 4 out of 48 items were graded 4 or 5 (we take it as an view of “perfect duty”) by all respondents (see Table). The mean score for SQ1 of areas of EP, RO, PW and LR were 4.10, 4.26, 3.75 and 4.26 respectively, reflecting Chinese T&A manufacturers were believed to view public welfare involvement as a less moral responsibility compared with other areas. Next, we examined the numbers of companies that were believed to take responsibilities in each thematic area as a perfect duty (i.e. grading 4 or 5 on all items of each area). The results showed 85, 146, 73 and 41 out of 300 respondents respectively believed their companies take EP, RO, PW, and LR as their perfect duty. Among the 86 respondents who believed their companies take EP as a perfect duty, no one indicated their companies have clear goals and/or structures on all items of EP. This is the case for areas of RO and LR as well. Among the 73 respondents who believed their companies take PW as a perfect duty, 5 respondents thought their companies have clear goals toward PW, and 1 of them thought his/her company has well-defined structures to achieve the goals. Overall, 41 out of 300 respondents graded 4 or 5 on all 48 items, which we think implied their companies perceive sustainability as a perfect duty according to MRCS. Among the 41 respondents, no one indicated their companies have clear goals and/or structures on all 48 items, leading us to categorize these 41 companies as occasionally sustainable corporations according to MRCS. Meanwhile, the remaining 259 companies indicated that they view sustainability as imperfect duty, and because all of them have clear goals and structures on at least one item, we further categorized them as consistently sustainable corporations in selective areas according MRCS. The overall analysis showed a clear spectrum of Chinese T&A manufacturers’ corporate sustainability efforts within the spectrum of moral responsibility, supporting MRCS.

Table. The Scores of Perceptions of Some Sustainability-Related Activities

| | Items/Activities (mean score) | Areas |
|---|--|-------|
| Items being scored 4/5 by all respondents | Being compliant to laws/policies related to environments (4.51) | EP |
| | Complying with business integrity (including paying taxes according to law) (4.61) | RO |
| | Improving product/service quality and increasing customer satisfaction (4.55) | RO |
| | Providing safe and transparent products (4.36) | RO |
| Items with the highest mean | Being compliant to laws/policies related to labor (labor contract, legal working hour, statutory wage standard) (4.61) | LR |
| | Prohibiting child and forced labor (4.61) | LR |
| | Complying with business integrity (including paying taxes according to law) (4.61) | RO |
| Items with the lowest mean | Increasing employment of ethnic minority (3.38) | PW |
| | Having partnership with environmental organizations (e.g. NGOs such as WWF) (3.55) | EP |

The study revealed the sustainability-related activities that most respondents in Chinese T&A manufacturing industry perceived as perfect or imperfect duties. That helps gain a general knowledge about Chinese T&A manufacturers' attitude on their moral responsibilities for each activity. The study also found that although some companies view sustainability or some areas of sustainability as their perfect duties, they could hardly implement sustainability in a consistent way due to their lack of clear goals and structures toward it. This would weaken their capabilities and thus should be the key points to endeavor for Chinese T&A manufacturers to be truly sustainable. Further research is recommended to study how to guide the manufacturers to set sustainability goals and structures and assess its effects on their sustainability improvement, and how to improve their perceptions of corporate sustainability as a moral responsibility to fulfill.

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