

CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE IN LIBYAN COMPANIES

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ABSTRACT

This study aims to investigate the disclosures of corporate social responsibility CSR in the annual reports of the sixty one Libyan companies for six sectors, namely industry, services, investment, banking, insurance and oil. Study periods are three years; 2009, 2010 and 2012. The disclosures of the corporate social responsibility include four themes, namely environment, community, consumers and employees. Content analysis methodology was employed in order to study the disclosures of corporate social responsibility. Disclosure index was used to measure the corporate social responsibility disclosures. The findings revealed although many companies disclosed their corporate social responsibility activities in their annual reports, but the levels of disclosures are still low. Results of the study also indicated that there are slight differences in the disclosures of the corporate social responsibility between different sectors of Libyan companies. It is expected that usefulness of this study will be acknowledged by stakeholders, potential and present investors, policy makers, and regulatory bodies in Libya or by any other developing country.

Key words: Corporate Social Responsibility (CSR) Disclosures, Libyan companies, Sectors

Introduction

Over the last few decades there have been increasing interests in social and environmental issues by the society at large. Therefore nowadays many companies consider the Corporate Social Responsibility (CSR) as a strategic program in itself not just a supporting program. Globally, there have been calls that business organizations should give back to the society in which they operate. The basis of these calls is that the activities of the business corporations have negatively impacted the society and individual as a result of the pollution, industrial, waste, poor quality of products and neglecting the rights, safety and welfare of employees (Akinpelu et al., 2013). The growing rate of these critical issues has attracted and great concern.

The value of social responsibility, either collectively or individually, has been evolving throughout history, and major institutions throughout the world now realise that corporate social responsibility is an important part of companies operations, because its positive effect on society, which in turn affects positively on staff members and the general public (Masruki et al., 2012). Promoters of the Corporate Social Responsibility (CSR) have argue that institutions must integrate economic, social and environment concern into their business strategies, going beyond compliance and investing more on human, their management tools and their activities, social and environmental capital (John et al., 2013).

There are evidences that investors see information of environmental and social as very important to make investment decisions and therefore demand adequate disclosure of this information. The role of business has evolved from classical profit maximizing approach to social responsibility approach (Abdu Rouf, 2011). In addition, stakeholders not only thinking into the profit of company's earn but also questioning what is the contribution of company towards the society (Chek et al, 2013).

Corporate social responsibility as concept has attracted worldwide attention and acquired a new importance in the global economy (John et al, 2013). The concept of social responsibility of company is a new phenomenon but many observers agree that the globalization has spurred its growth and prominence (Rouf, 2011). In addition, Wibowo (2012) outlined corporate social responsibility is one of sustainability programs done by companies. Corporate social responsibility is description to commitments of the company to be accountable to different of its stakeholders in all its activities and operations (Fasanya and Onakoya, 2013).

According to Gray (1996) corporate social disclosure is the communicating process the environmental and social impacts of organization's economic activity to certain interest groups of society and society at large. Further, Ali and Rizwan (2013) stated that corporate social and environmental disclosure is information dissemination about the companies human resource related practices, community involvement project and activities, safety and quality of products and services and environmental contribution. The World Business Council for Sustainable Development in its publication "Corporate Social Responsibility is continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large".

There are many reasons for why companies involved in corporate social disclosure; such as to build and maintain reputation, to improve share of market, reducing cost of company of capital, to gain competitive advantage, enjoy benefits of tax, gain commitment of employees and reducing cost and risk of company (Karaye et al., 2014).

Over the past decade, Libya has witnessed enormous social and economic changes. Thus, Libya, like other developing countries pays attention to social and environmental issues that affect the individual life and society at large. As a result, the environment of business is also becoming more demanding and complex. One of the emerging issues which confront modern-day businesses is that of corporate social responsibility. However, due to the heightened interest in corporate social responsibility concept and what it entails, much research has been conducted in this area, particularly in the developed countries. In contrast, the developing countries are slower in responding to the growing concern about the issue of corporate social responsibility. Despite some intense studies (Ahmad et al., 2003; Bayoud et al., 2012; Hawashe, 2014; by Abu- Baker, 2000; Elmogla et al., 2011; Mashat et al., 2005; Chek et al., 2013), research in this area in developing countries are still rare. For this end therefore, this study seeks to address this gap in literature by focusing on the level of corporate social responsibility disclosures in annual reports of the selected Libyan companies.

Therefore, the objective of this study is to looking at the levels of corporate social responsibility disclosures in Libyan companies. This study could benefit various parties in many ways; to understanding of corporate social responsibility disclosure by providing empirical evidence from developing country; to the company itself as a survival to be seen as legitimate entities by public; to the stakeholders, as corporate social disclosure is the indicator of company reputation; to the investors to selection appropriate investment decision; to enable policy makers to tighten up the company social disclosure because this role is mainly a reflection of the importance that companies operate to social issue in future. This study sets out the literature review, data method and findings as well as discussion and conclusion.

Literature review

Corporate social responsibility disclosures have been the focus of much academic studies since the mid- 1970's. The popularity of this strand of the studies may be due to the apparent growing recognition within the business community of the significance the stakeholders attach to environmentally and socially responsible corporate behavior (Ahmad et al., 2003).

The Libyan context

Libya, being one of the countries of the world exporting crude oil, has witnessed some rapid development and changes economic in the last few decades. Therefore, of late, there appears to be growing public awareness and concern for corporate social environmental effect. Moreover, the Islamic and socialist factors have impacted on the nature of disclosures of corporate social responsibility. Therefore, the level of corporate social responsibility has improved in Libya since 2000's due to pressures from stakeholders to get the information which may affect companies performance (Bayoud et al., 2012). Little studies have been conducted to measure the corporate social responsibility disclosures in Libyan companies with the aim of providing explanation about, or understanding of the issue of corporate social responsibility disclosures.

Prior study conducted by Mashat et al. (2005) revealed that information on corporate social responsibility is limited. The study was showed perceptions of five groups who are; government officials, academic accountants, financial managers, bank credit officer and external auditors by used the questionnaire for sample of 438 participants to examine corporate social responsibility in Libyan companies. In addition to that, a study conducted by Elmogla et al. (2009) found that the amount of corporate social responsibility information is low compared with counterparts in developed countries. Questionnaires were used to collect sample data from 303 participants.

Moreover, a study conducted by Ahmad and Mohmes (2011) aimed to identify the environment disclosure. The study was used a questionnaire to data collected from 27 largest auditing offices, and sample consisted of 81 participants. The findings indicated that the level of environmental disclosure is low in Libyan companies. Furthermore, a study was done by Bayoud et al. (2012) investigated relationship between CSR disclosure and financial performance in Libyan companies. Study sample was 40 Libyan companies. Content analysis was used in their study. Study periods are 2009, 2010 and 2012. The findings indicated that there is positive relationship between CSR level and financial performance.

A recent study conducted by Hawashe (2014) aims to examine voluntary disclosure in the Libyan commercial banks. This study uses un-weighted disclosure index, to measure the voluntary disclosures in 54 annual reports of the commercial banks, over the six years. The study found that the extent of voluntary disclosure in the Libyan commercial bank's annual reports is low. However there was an improvement in the general level of voluntary disclosures.

The developing countries

The issue of the corporate social responsibility disclosure has attracted the attention of researchers over the past years in the developing countries. A study conducted by Abu- Baker (2000) aims to examine content-category themes, methods and location of corporate social responsibility disclosure in annual reports for 143 Jordanian listed companies on the Amman financial market. Findings revealed that the human resources and community involvement are the predominant themes for disclosure of corporate social responsibility. Results also indicated that the extent of corporate social responsibility disclosure is very low.

In addition, another study conducted by Hossain et al. (2006) aims to examine the extent and nature of social and environmental disclosure in annual reports of Bangladesh companies during period between 2002 and 2003. The sample size was 150 of non-financial companies in Dhaka Stock Exchange. Index disclosure was used to measure corporate social disclosure. Results showed that the levels of social and environmental have the lowest rank in Bangladesh companies during the study period. Moreover, Hassan (2009) aimed to explore relationship between level of CSR level and characteristics companies. Study sample was 40 companies from UAE. The multiple regression analysis method has been used in the study. Study results indicated that corporate size is not significantly with CSR level, while the relationship between level of risk and industry type is significant.

A study conducted by Chek et al. (2013) aims to examine importance of corporate social responsibility disclosure in Malaysia. The study focused on the levels of corporate social responsibility disclosure, and determinants of corporate social responsibility disclosure like size, profitability and leverage of company. Sample of study was 120 consumer products and thirty four plantation companies in Bursa Malaysia. Findings indicated that the level of corporate social responsibility is still low. Results also indicated that there is correlation between corporate social responsibility disclosure and size of company. However there is no relationship between leverage of company and corporate social responsibility disclosure.

The developed countries

The social issues and problems arising from companies activities have been paid attention to by societies of the developed countries in the past few decades. Corporate social responsibility disclosures have been the focus of much academic research since mid- 1970's. Cecil (2010) indicated in his study that there is growth trend in US companies issuing standalone CSR reports. Hasseldine et al. (2005) investigated the impact of environment disclosure on the reputation of UK public companies during period from 1998 to 2000 and they concluded that the quality of environmental disclosure has a strong effect on the creation of environmental reputation amongst executive and investor stakeholder groups.

In addition, a study conducted by Najah and Jarboui (2013) examined the influence of corporate social responsibility disclosure on financial performance by 201 French companies during period from 2000 to 2010 and they concluded that there is no relationship between CSR disclosure and financial performance. Furthermore, in Spain, a study conducted by Reverte (2009) concluded that companies with higher CSR disclosure ratings present a statistically significant relationship with larger size company and media exposure, while profitability and leverage do not explain differences in CSR practices between Spanish listed companies

Moreover, another study done by Mia and Al- Mamum (2011) examined the extent of CSR disclosure by 48 Australian companies during period between 2006 and 2008, a study indicated that CSR disclosure is not significantly associated with leverage and profitability, but it associated whit size company.. In addition, a study done by Arshad and Vakhidulla (2011) concluded that size, industry sensitivity and media are significant variables in explaining the difference in CSR disclosures practices among Swedish companies.

Methodology

Content analysis used disclosure index in order to measure corporate social responsibility disclosures in companies annual reports issued in 2009, 2010 and 2012. Based on previous studies by (Bayod et al., 2012; Pratten and Mashat, 2009), there are 25 items that can be used in this study to categorise information of corporate social responsibility in annual reports. The corporate social responsibility activities in this study are categorised into four dimensions. There are environment, community involvement, consumer and employee.

In addition, based on previous study by Eljayash et al., (2012) in order to measure the quality of social disclosure of items, this study assigns the greatest weight (+3) to monetary disclosure related to corporate social responsibility disclosure items, and assigns the next highest weight (+2) to quantitative. Lastly, general disclosure receives the lowest weight (+1). Companies that do not disclose information for given indicator receive a score of zero for that item. Hence, a total score of each company equal 75 score. In other world, the highest quality of social disclosure is 75 while the lowest quality is zero.

The data needed for the study were collected from the annual reports of each of the companies sampled. The study sample included sixty one Libyan companies, which operating within six sectors. These sectors are industry, services, investment, banking, insurance and oil. The study periods were 2009, 2010 and 2012. The year of 2011 was excluded from the study periods due to the lack of data in this year and due to country conditions which are unstable in this year. The data was obtained from website of companies or from visits to companies' offices.

Findings and discussion

Findings

Descriptive analysis

This section presents a brief overview of some general facts that have been identified with respect to this study. Discussion focuses on; response rates, companies breakdown and the quality of social disclosure in the companies.

Response rate

This study aims to examine the annual reports for periods 2009, 2010 and 2012 of 61 Libyan companies. A table 1 shows number of target companies, and it also presents number of selected companies that meet the conditions of a sample in this study. It can be noted that services sector had the lowest percentage of the number of companies that met the requirements of the study (51.6%). The number of companies targeted of services sector was thirty one companies, while number of companies had selected only sixteen companies that provide CSR activists in their annual reports according to conditions in the study. In return, the industry sector had the highest rate of companies that met the conditions of this study. The percentage of companies of industry sector is (69.6%), and then followed respectively banking sector (64.7%), investment sector (63.6%), insurance sector (62.5%) and the least sector is oil companies (60%). In general, to derive a final score for percentage of sample study, it can be argued that the ratio of companies that fulfill the conditions in this study for Libyan companies were 61%.

Table 1: Response rate of Libyan companies

Sectors	Number of target companies	Number of selected companies	Response rate %
Industry	23	16	69.565 %
Services	31	16	51.613 %
Investment	11	7	63.636 %
Banking	17	11	64.706 %
Insurance	8	5	62.5 %
Oil	10	6	60 %
Total	100	61	61 %

Number of companies disclosed social responsibility

Table 2 presents summarization on Libyan companies that reported CSR information in their annual reports of companies surveyed in this study, it can be noted that companies which disclosed on social information in annual reports had increased over periods of study 2009, 2010 and 2012. It can be said that total of companies had increased from 2009 to 2012 by almost (81.9 %). Table 2 provides companies surveyed and corporate social responsibility that disclosed in their annual reports. In 2009, number of companies was 41 then it rose to 50 companies in 2012, it can be argued the percentage of companies that disclosed on CSR has increased over study periods from (67.2 %) in 2009 to (81.9%) in 2012. Overall, it can be observed that ratio of social disclosure in annual reports of Libyan companies surveyed has been increased during study periods. In addition, it can be argued that number of companies surveyed which provided information about social responsibility has increased from 2009 to 2012.

Table 2: Number and percentage of companies with the social disclosure

Years	2009	2010	2012
Total companies	61	61	61
Disclosure	41	47	50
Percentage %	67.2 %	77.1 %	81.967 %

Number of companies disclosed social responsibility according to sectors

Table 3 shows companies number that disclose on social information in their annual reports, it was 41 in 2009 and it increased to 50 companies in 2012. In addition, in 2009, companies of investment sector had lowest percentage, they have (57.1%) of companies which disclose on social information in their annual reports, while banking sector had highest percentage (81.8%). Moreover, in 2010, companies of insurance sector had lowest percentage (60 %) whereas banking sector had highest percentage (90.9 %). Furthermore, in 2012, companies of services sector had lowest percentage (75%), while companies of industry sector had highest percentage (87.5%). The six categories of sectors in this study were classified by Libyan Stock Market.

Table 3: Number of companies disclosed social responsibility according to sectors

Sectors	Number companies surveyed	No. Companies 2009	Percentage %	No. Companies 2010	Percentage %	No. Companies 2012	Percentage %
Industry	16	11	68.75	13	81.25	14	87.5
Services	16	10	62.5	11	68.75	12	75
Investment	7	4	57.14	5	71.43	6	85.7
Banking	11	9	81.81	10	90.9	9	81.8

Insurance	5	3	60	3	60	4	80
Oil	6	4	66.66	5	83.33	5	83.33
Total	61	41	67.2	47	77.05	50	81.9
Average	10.166	6.83	66.14	7.833	75.94	8.33	82.22

Amount of disclosure of CSR themes

This section shows the corporate social responsibility activities of companies surveyed which disclose on social information in their annual reports during study periods 2009, 2010 and 2012 by Libyan companies.

The number of CSR items disclosed according to themes

Table 4 illustrates the number of social responsibility items disclosed during the study periods 2009, 2010 and 2012 by Libyan companies. It can be observed that on the average. In general, all CSR disclosure themes have shown increase from 2009 to 2012. The number of items of disclosure on social responsibility beginning from 439 items (29.57% of total number of CSR disclosure items) in 2009 to 501 items (33.77% of total number of CSR disclosure items) in 2010, and 539 items (36.52% of total number of CSR disclosure items) in 2012.

The most CSR disclosure item is the consumer dimension. Findings revealed that the number of disclosure item in the consumer category, it increased from 351 items (29.39% of total number of disclosure items in this dimension) in 2009 to 401 items (33.58% of total number of disclosure in this dimension in 2010, and it reached to 442 items (37% of total number of disclosure in this dimension) in 2012.

The community disclosure is the second most reported social responsibility items in annual reports of Libyan companies. It rose from 331 items (29.26%) in 2009 to 379 items (33.51%), then to 415 items (36.88%) in 2012. The third most CSR disclosure item is the employee category. It increased from 565 items (30.28%) in 2009 to 613 (33.38%) items in 2010, and it reached to 662 items (36.15%) in 2012. The least reported CSR item is the environment category, it rose from 519 items (29.35%) in 2009 to 612 items (34.61%) in 2010, and it increased to 637 items (36.03%) in 2012. Overall, there is a notable increase in amount of CSR disclosure in annual reports of companies during study periods.

Table 4: Number of CSR items disclosed according to CSR themes

CSR Theme	Total number of disclosed items	Amount 2009	Percentage %	Amount 2010	Percentage %	Amount 2012	Percentage %
Environment	1,768	519	29.355	612	34.615	637	36.029
Community	1,125	331	29.266	379	33.51	415	36.889
Consumer	1,194	351	29.397	401	33.585	442	37.018
Employee	1,831	556	30.283	613	33.388	662	36.155
Total	5,918	1,757		2,005		2,156	
Average	1,479.5	439.25	29.575	501.25	33.774	539	36.522

The number of CSR items disclosed according to environmental theme for sectors

Table 5 shows the number of environmental dimension items disclosed by different sectors during study periods 2009, 2010 and 2012. The average number of environmental disclosures illustrates increasing from 87 items (29.11%) in 2009 to 102 items (34.27%) in 2010 and to 106 items (36.60%) in 2012. The sector most disclosed environmental dimension is investment sector, the number of items increased from 34 items (23.94% of total items in the sector) in 2009 to 47 items (33.09% of total items in the sector) in 2010, it rose to 61 items (42.95% of total in the sector) in 2012. The services sector is second sector most disclosed environmental dimension, which increased from 124 items (28.05%) in 2009 to 154 items (34.84%) in 2010, it reached to 164 items (37.10%) in 2012. The third sector most disclosed environment dimension is insurance sector whereas it was rising from 28 items (30.76%) in 2009 to 30 items (32.96%) in 2010 and then 33 items (36.26%) in 2012.

The fourth sector most disclosed on the environmental dimension is industry sector, the number of items increased over the study periods from 161 items (29.70%) in 2009 to 187 items (34.50%) in 2010 and it reached to 194 items (35.79%) in 2012. The next sector most reported environmental dimension is banking sector, it rose from 105 items (31.62%) in 2009 to 118 items (35.54%) in 2010 and it decreased to 109 items (32.83%) in 2012. The least sector disclosed environmental dimension is "oil sector", it

rose from 67 items (30.59%) in 2009 to 76 items (34.70%) in 2010, it also continued at 76 items (34.70%) in 2012. In general, there are increasing in disclosures of the environmental dimension in the different sectors. It can be observed that all sectors increased disclosures of environmental dimension during study period with exception of the banking sector that reduced the environmental disclosure from 2010 to 2012.

Table 5: Number of CSR items disclosed according to environmental theme for sectors

Sectors	Total number of disclosed items	Amount 2009	Percentage %	Amount 2010	Percentage %	Amount 2012	Percentage %
Industry	542	161	29.705	187	34.502	194	35.793
Services	442	124	28.054	154	34.842	164	37.104
Investment	142	34	23.944	47	33.099	61	42.958
Banking	332	105	31.627	118	35.542	109	32.831
Insurance	91	28	30.769	30	32.967	33	36.264
Oil	219	67	30.594	76	34.703	76	34.703
Total	1,768	519		612		637	
Average	294.666	86.5	29.115	102	34.275	106.166	36.608

The number of CSR items disclosed according to community theme for sectors

Table 6 presents the items number on the community dimension disclosed by sectors during study period. The average number of disclosure of community dimension illustrates increasing from 55 items (28.80%) in 2009 to 63 items (33.80%) in 2010 and to 69 items (37.39%) in 2012. The sector most disclosed community dimension is investment sector, the number of items increased from 29 items (23.96% of total items in the sector) in 2009 to 42 items (34.71% of total items in the sector) in 2010, it rose to 50 items (41.32% of total in the sector) in 2012. The services sector is second sector most disclosed community dimension, which increased from 65 items (27.31%) in 2009 to 80 items (33.61%) in 2010, it reached to 93 items (39.07%) in 2012. The third sector most disclosed community dimension is insurance sector and it rose from 35 items (30.17%) in 2009 to 37 items (31.89%) in 2010 and 44 items (37.93%) in 2012. The fourth sector most disclosed on the community dimension is oil sector, the number of items increased over the study periods from 33 items (27.5%) in 2009 to 43 items (35.83%) in 2010 and it reached to 44 items (36.66%) in 2012. The next sector most disclosed community dimension is industry sector, it rose from 84 items (30.54%) in 2009 to 93 items (33.81%) in 2010 and it increased to 98 items (35.63%) in 2012. The least sector disclosed community dimension is banking sector, it reduced from 85 items (33.33%) in 2009 to 84 items (32.94%) in 2010 and then it increased to 86 items (33.72%) in 2012. Overall, there are increasing in disclosures of the community dimension in the different sectors. It can be noted that all sectors increased disclosures of community dimension during study period with exception of the banking sector that decreased the community disclosure from 2009 to 2010.

Table 6: Number of CSR items disclosed according to community theme for sectors

Sectors	Total number of disclosed items	Amount 2009	Percentage %	Amount 2010	Percentage %	Amount 2012	Percentage %
Industry	275	84	30.545	93	33.818	98	35.636
Services	238	65	27.311	80	33.613	93	39.076
Investment	121	29	23.967	42	34.711	50	41.322
Banking	255	85	33.333	84	32.941	86	33.725
Insurance	116	35	30.172	37	31.897	44	37.931
Oil	120	33	27.5	43	35.833	44	36.667
Total	1,125	331		379		415	
Average	187.5	55.166	28.804	63.166	33.802	69.166	37.392

The number of CSR items disclosed according to consumer theme for sectors

This study shows by table 7 the number of the consumer dimension items disclosed by sectors. The mean number of disclosure of consumer dimension was increasing from 59 items (29.14%) in 2009 to 68 items (32.74%) in 2010 and to 74 items (38.1%) in 2012. The sector most disclosed consumer dimension is investment sector, the number of items increased from 33 items (27.73%

of total items in the sector) in 2009 to 34 items (28.57% of total items in the sector) in 2010, it rose to 52 items (43.69% of total in the sector) in 2012. The insurance sector is second sector most disclosed consumer dimension, it increased from 22 items (28.57%) in 2009 to 23 items (29.87%) in 2010 and it reached to 32 items (41.55%) in 2012.

The third sector most disclosed consumer dimension is services sector, it rose from 69 items (30.94%) in 2009 to 72 items (32.28%) in 2010 and 82 items (36.77%) in 2012. The fourth sector most disclosed on consumer dimension is industry sector, the number of items increased over the study periods from 113 items (29.14%) in 2009 to 133 items (34.27%) in 2010 and it reached to 142 items (36.59%) in 2012. The next sector most reported consumer dimension is banking sector, it increased from 79 items (29.81%) in 2009 to 96 items (36.22%) in 2010 and then it decreased to 90 items (33.96%) in 2012. The least sector disclosed consumer dimension is “oil sector”, it rose from 35 items (28.68%) in 2009 to 43 items (35.24%) in 2010 and it increased to 44 items (36.06%) in 2012. In general, it can be observed that there are increasing in disclosures of the consumer dimension in the different sectors during study period.

Table 7: Number of CSR items disclosed for the consumer theme for sectors

Sectors	Total number of disclosed items	Amount 2009	Percentage %	Amount 2010	Percentage %	Amount 2012	Percentage %
Industry	388	113	29.124	133	34.278	142	36.598
Services	223	69	30.942	72	32.287	82	36.771
Investment	119	33	27.731	34	28.571	52	43.697
Banking	265	79	29.811	96	36.226	90	33.962
Insurance	77	22	28.571	23	29.87	32	41.558
Oil	122	35	28.689	43	35.246	44	36.066
Total	1,194	351		401		442	
Average	199	58.5	29.144	66.833	32.746	73.66	38.108

The number of CSR items disclosed according to employee theme for sectors

Table 8 reviews the items number of the employee dimension disclosed by sectors. The average number of disclosure of employee dimension illustrates increasing from 93 items (30.13%) in 2009 to 102 items (32.87%) in 2010 and to 110 items (35.82%) in 2012. The sector most disclosed employee dimension is insurance sector, the number of items decreased from 38 items (31.14% of total items in the sector) in 2009 to 35 items (28.68 % of total items in the sector) in 2010, it rose to 49 items (40.16 % of total in the sector) in 2012. The investment sector is second sector most disclosed employee dimension, which increased from 43 items (26.87%) in 2009 to 53 items (33.12%) in 2010, it reached to 64 items (40%) in 2012. The third sector most disclosed employee dimension is industry sector, it rose from 151 items (28.11%) in 2009 to 186 items (34.63%) in 2010 and 200 items (37.24%) in 2012. The fourth sector most disclosed on the employee dimension is “oil sector”, the number of items increased over the study periods from 55 items (29.25%) in 2009 to 64 items (34.04%) in 2010 and it reached to 69 items (36.70%) in 2012. The next sector most reported employee dimension is banking sector, it reduced from 134 items (34.01%) in 2009 to 133 items (33.75%) in 2010 and it also decreased to 127 items (32.23%) in 2012.

The least sector disclosed employee dimension is services sector, it rose from 135 items (31.39%) in 2009 to 142 items (33.02%) in 2010 and then it increased to 153 items (28.60%) in 2012. Overall, there are increasing in disclosures of the employee dimension in the different sectors. It can be argued that all sectors increased disclosures of employee dimension during study period with exception of insurance sector whereas that there is a small fluctuation in its items, the number of items reduced from 2009 to 2010 then it rose in 2012. In addition, the banking sector that the number of employee dimension items decreased from 2009 to 2010 and it also reduced in 2012.

Table 8: The number of CSR items disclosed according to employee theme for sectors

Sectors	Total number of disclosed items	Amount 2009	Percentage %	Amount 2010	Percentage %	Amount 2012	Percentage %
Industry	537	151	28.119	186	34.637	200	37.244

Services	430	135	31.395	142	33.023	153	28.605
Investment	160	43	26.875	53	33.125	64	40
Banking	394	134	34.01	133	33.756	127	32.234
Insurance	122	38	31.148	35	28.689	49	40.164
Oil	188	55	29.255	64	34.043	69	36.702
Total	1831	556		613		662	
Average	305.166	92.666	30.133	102.166	32.878	110.333	35.824

Discussion

The main results can be summarized that there is increase in the number of Libyan companies disclosing CSR information in their annual reports during study periods. The highest number of companies is “banking sector”. In addition, this finding supports our notion which also consistent with study done by Bayoud et al. (2012), who found in their study that banking and insurance were highest number companies disclosed CSR information.

Findings revealed that the most disclosed theme in annual reports on corporate social responsibility information is the consumer. This finding is consistent with study conducted by both Ahmad et al. (2003), who revealed that consumer and products are most and Bayoud et al. (2012), who found that the most disclosed themes, are consumer and employee. Study result reveals that community theme is second most disclosed. This outcome corroborates the findings provided by Jitaree (2015), who indicated in his study that the most disclosed themes are community and environment.

Although the number of companies that disclosed on CSR information is increasing, however the amount of CSR disclosure still low as result that CSR disclosure is voluntary by Libyan companies whereas it is in the average in annual reports, it can be seen in table 3. This outcome is consistent with the studies’ results done in developing countries by (Chek et al., 2013; Eljayash et al., 2012 and Hawashe, 2014). Companies tend to disclose on CSR information to improve public image (Ahmad et al., 2003). This study suggests there was an improvement in the general level of CSR disclosure in Libyan companies, it can be observed in table 4 whereas amount of CSR disclosure is increase over study periods. This result is consistent with studies done by both Ahmad and Mousa (2011), who found in their study that level of environment disclosure was developed in Libya, and Hawashe (2014), who concluded that there is an improvement in the level of voluntary disclosure in commercial banks in Libya.

The study found that there are slight differences in the amount of CSR themes by different sectors. It can be noted in table 5, table 6, table 7 and table 8 that there is a fluctuation in the amount of disclosure by banking sector for all CSR themes during study periods. In addition, in table 8, it can also be observed that there is decrease in amount of disclosure by insurance sector between 2009 and 2010 and then there is increase in 2012. This result is consistent with outcome of study done by Jitaree (2015). It may be due to the difference in nature of each sector. A potential explanation for the differences may be that CSR does not tend to be a systematic activity and it is not clear how to disclose CSR activity for each industry in annual reports (Jitaree, 2015).

Conclusion

In conclusion, current study focuses on the trends of corporate social responsibility disclosures and intended to give an overview of differences in the activities of social disclosures in Libyan companies. This study used sixty one Libyan companies by six sectors, which are industry, services, investment, insurance and oil. The study periods are 2009, 2010 and 2012. The year of 2011 was excluded from the study periods due to the lack of data in this year as result to country conditions which are unstable in this year.

The data was obtained from website of companies or from visits to companies’ offices. Present study was used index to measure corporate social responsibility disclosure. The study includes four themes, namely environment, community, consumer and employee. This study descriptive statistics was conducted to identify the trends of the disclosures of corporate social responsibility.

The findings revealed that number of companies which reported on corporate social responsibility disclosure in their annual reports has increased during period study. However, the study also concludes that disclosure level of social activities in annual reports is still low. Moreover, in spite an increase the disclosures of corporate social responsibility by companies over study periods, differences were observed regarding the number of companies from sector to another. In addition, results indicated that the amount of themes disclosures on social activities in annual reports is different from year to another.

With regards to present study, it is hope that this study will contribute to the body of knowledge on CSR and how the CSR concepts can be deployed more effectively by Libyan companies. It is hope that this study help to create the understanding and awareness of CSR concept to decision makers. It is hope that current study can suggest ways to help Libyan companies to come up with more appropriate CSR strategies and policies. This study could fill the gap in the CSR disclosure literature by providing empirical evidence from Libyan companies. A final conclusion is that this study could open the potential future research in the

area of CSR disclosure. Another area which is worth looking at is to compare the CSR levels between local and foreign companies.

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