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A Literature Survey on Corporate Social Responsibility in Business Context

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Abstract: We are living in a world surrounded with numerous problems related to environment and society. CSR (Corporate Social Responsibility) is a means to sort out these problems to some extent because business is a part of society. Earning more and more profits is a natural phenomenon of every business unit but social responsibility is an obligation to the people living inside and outside the business organizations. Business comes in contact with various groups of society such as owners, employees, customers, government, suppliers etc. The responsibility of business, which includes satisfaction of these parties along with the owner, is called social responsibility of business. According to Steiner "Social Responsibility implies recognition and understanding of the aspirations of society and determination to contribute towards their achievements". In spite of its current popularity, there are several issues which remained pending and corporate need to be aware about them. Today, the society as a whole and media increasingly request companies to consider social and environmental problems while doing business activities. CSR typically includes issues related to business ethics, community engagement, global warming, water management, manage the use of natural resources, human rights etc. So, in order to get sustainable development and to survive in this competitive world, the organizations need to demonstrate a close and good relationship with society.

CSR has become one of the catchphrases of new millennium across the world and the corporate as well as government must take care of it. Today, Government has also come as an initiative to control those business activities which makes a harmful effect on the society. The government suggested time to time to the business units that the corporate should enact a framework related to CSR i.e its areas, investment, activities etc. and include them in the vision, mission and strategic planning.

I. WHY IS THE LITERATURE REVIEW

Researcher begins research by reading. It is important for the researcher to be familiar with both previous theory and researches published so far in the field of investigation or study. So, in order to assure its familiarity, the researchers have to build upon the accumulated and recorded knowledge of the past. Every research projects requires the review of concerned literature for the purpose of determining the smooth contours for determining the right direction for doing the research. The term "Review of Literature" made up of two words i.e. Review and Literature. In research methodology, the word review means to synthesis the available knowledge of the specific area of the research to evolve a structure of facts. Review further; interpret the results by taking the supportive and non- supportive consistence from the previous studies. It means the review of literature is a prescribed tool for delineating the results in the form of what is, what will happen if the resulted position stays, what should be (suggestions). If any result has not been assisted by any contradictory or aligned results of the previous research, then those findings/results is done. In short, with the help of review of literature, a researcher can identify, appropriate methodology,

research design, methods of measuring concepts, techniques of analysis and carried out numerous field observations to illuminate the darkness of its field.

II. REVIEW OF LITERATURE

The pace of increase in knowledge moves towards rapid changes. It grows more and more than the passage of time. Therefore, a researcher has to be conscious about the changes and developments in the field of his/her study. For this purpose, the researcher has to survey the available literature like novels, reports, researches, books, articles, newspapers and journals in order to add knowledge in its study. Over the past decades, the concept of CSR has become an important concept in the study of researchers, scholars and industrialists etc. So, the present researchers have made an effort with this review paper for those researchers, analysts and industrialists who are connected with CSR (whether social responsibility, social accounting, social reporting or any other area related to CSR).

Windsor (2001),¹ article examined the future of Corporate Social Responsibility or the relationship between business and society in long run. The researcher tried to find out that whether the organization and society will come closer to each other in future or not and what will be the changing phase of CSR. With the help of history or past trend of CSR, Carroll's model analysis and in global context, the researcher found three emerging alternatives of CSR i.e. conception of responsibility, global corporate citizenship, stakeholder management practices.

Nigel Sarbutts (2003),² the paper explored the way of doing CSR by small and medium sized companies. The research depicted that a structured approach to managing corporate reputation and profit maximization of SME's through CSR. The societal activities of small and medium sized companies is based on their cost is Benefit Analysis. Small Corporation always struggle for more reputation and minimization of risk. In such a situation, CSR comes as hope for these companies. Large companies have so many resources for implementing CSR activities but SME's have less resource. It can be a barrier for them to stay in the market. So, in that situation by imparting much information, proper utilization of resources, doing well for businesses,

SME's can minimize their risk and manage CSR.

A speech delivered by Mr. Fredrick Ma, secretary for financial services, based on Corporate Social Responsibility (2004),³ organized by the British consulate. The speaker explored the concept of CSR on the basis of survey of 1500 business leader attending the world economic forum in bevos. In which 5% leaders said that CSR is important for the success of business, while 24% said CSR is not important but the shareholder's interest is most important for the businesses. But for the speaker, CSR and corporate governance are complementary to each other. Corporate governance is a medium of driving CSR among corporate. Further the speaker also talked about the role of government in CSR, SME's as well as for unlisted companies. It was also included in their views that CSR should be a part of company's objective.

Moon (2004),⁴ paper examined the role of government in driving corporate social responsibility among the corporate. The study explained that the drivers of CSR are related with business and society. Business includes its reputation, corporation itself, employees relation knowledge, goals etc. further, the study cleared that government is driver of CSR by making this relationship

¹ Windsor, Duane (2001). "The future of corporate social responsibility". *International Journal of Organizational Analysis*. Vol. 9. No.3. Pp.225 – 256.

² Sarbutts, Nigel. (2003). "Can SME's do CSR? A practitioner's views of the way small and medium-sized enterprises are able to manage reputation through corporate social responsibility." *Journal of communication management*. Vol.7. No. 4. Pp. 340-347.

³ Mr Frederick Ma (2004). "CSR and the Knowledge Based Economy". A speech delivered at the Corporate Social Responsibility Workshop organised by the British Consulate-General.

⁴ Moon. Jermy (2004). "Government as a driver of Corporate Social Responsibility: A U.K comparative Perspective". *International Centre for Corporate Social Responsibility*. No.20.

true and fair through making through making policies and regulations. The study also embarked others country's situation that how their government entered into businesses for driving CSR. Samuel O. Idowu (2007),⁵ with their study of twenty companies in U.K., propounded that the U.K. companies has now become ethical in the content of social responsibility as companies disclose its CSR with a view of public benefits, government request and issue information to stakeholders because the companies think that stakeholders of twenty first century are better educated them past.

Vaaland, Heide (2008),⁶ paper based on a case study methodology. The paper purpose was to handle the CSR critical incidents and utilize this experience in enforcing the CSR activities. The study concluded that CSR should be managed by handling unexpected incidents, long term reduction of gap between stakeholders and their expectations and company performance and finally maintaining relationship with society through interplay between actor, resources and activities.

Gond, Crane (2008),⁷ made an analysis on the distortion of corporate social performance concept. The research analyzed that the past researches and found some reason of emerging fall in the interest of corporate social performance research among the scholars. The paper also suggested models on the basis of which the researcher explained that why the CSP concept has lost its importance and development. Further, the researcher depicted some model which the researcher can used in their research related to corporate social performance. The paper argued that tensions and contradictions are the starting point to develop the CSP concept. CSP has an umbrella of activities which need to measure differently in order to move the researches from a simple concept to development.

Truscott, Bartlett, Trwoniak (2009),⁸ paper "The reputation of Corporate Social Responsibility industry in Australia" in Australian marketing journal, based on case study methodology. On the basis of the interview of key persons of industries in Australia, the term CSR has been explained. The industrialist revealed that CSR increasingly has become significant. They shared their views of CSR in economic, legal and ethical roles of business in society. Beside this, the industrialist viewed CSR as a model of corporate reputation.

Shah, Bhaskar (2010),⁹ has taken a case study of public sector undertaking i.e. Bharat Petroleum Corporation Ltd. in their research work. The research has discussed that there is a broad relationship between the organization and society. Organization has its existence only with the society. Organization used the resources/inputs of the society like material and human etc. In reverse, the organization provides services to the society. From the case study of the BPCL, it was found that company has taken a lot of initiatives in order to serve the society.

Mc William & S. Seigal (2010)¹⁰ provided the importance of CSR as a strategy of enhancing reputation of companies. The study indicated that firms selling convincing goods which comes under the umbrella of CSR activities, leads to consumer loyalty and increased revenue. Further the study also indicated the importance of advertising for providing information to consumers about the social welfare activities of the firm. Beside this the study also included the importance of media and T.V

⁵ Idowu, Samuel., & Loanna, Papisoplomou. (2007). "Are corporate social responsibility matters based on good intentions or false pretences? A critical study of CSR report by UK companies." *Corporate governance Journal*. Vol.7. No. 2. Pp. 136-147.

⁶ Vaaland, Terjre., & Morton, Heide. (2008). "Managing corporate social responsibility: lessons from the oil industry." *Corporate communications: An international journal*. Vol. 13. No. 2. Pp. 212-225.

⁷ Gond, Jean-Pascal & Crane Andrew (2008). "Corporate Social Responsibility distorted: Saving the lost paradigm?". *Business and Society Journal*.

⁸ Truscott, Rachael.A., Bartlett, Jennifer.L & Stephane A. Tywoniak (2009). "The reputation of Corporate Social Responsibility industry in Australia". *Australasian Marketing Journal*. Vol.17. No.2.Pp.84-91.

⁹ Shah, Shashank & Sudhir Bhaskar (2010). "Corporate Social Responsibility in an Indian Public Sector Organization: A Case Study of Bharat Petroleum Corporation Ltd". *Journal of Human Values*. Vol. 16. No. 2.Pp. 143-156.

¹⁰ McWilliams, Abigail & Donald S. Seigel (2010). "Creating and Capturing Value: Strategic Corporate Social Responsibility, Resource-based theory and sustainable competitive advantage". *Journal of Management*.Vol.37.No.5.

etc. in order to aware the consumers about firm" s activities and increasing as well damaging the reputation. In this way the study concluded about the reputation of firm through CSR.

Hartman (2011),¹¹ article "Corporate social Responsibility in the food sector" in European review of agriculture economics journal, analyzed the importance of CSR in food sector, particularly those companies which have high brand. CSR is an important part of these companies. But SME" s are less capable in discharging their obligation towards society. Further, the research found that food sector always tries to improve the controlling and discharging its services towards consumers. Consumers also prefer those brands or food firms which give preference to CSR activities and provide good product and services.

Brammer, Jcakson & Matten (2012),¹² study entitled as "Corporate Social Responsibility and institutional theory: new perspective on private governance" in Social economic review depicted that CSR is not only a voluntary action but beyond that. In this study, CSR had defined under institutional theory. The institutional theory stated that corporate social activities are not only voluntary activities but it is a part of interface between business and society. Regulation/ governance are necessary for enhancing the corporate performance of businesses through CSR. The theory also suggested that in what form companies should take its social responsibilities whether historical, political or legal form.

Vladislav Valentinov & Karin Larsen, 2013¹³ the modern discourse on corporate social responsibility is framed by ideas many of which have important parallels in the literature on the general and social systems theory. Particularly the conceptions of the interdependence between business and society, and of the societal embeddedness of business, revolve around the theme of system–environment interaction that is potentially unsustainable. The paper draws upon the systems-theoretic arguments of Luhmann and Boulding in order to explain how sustainability is enhanced by corporate social responsibility practices. Systems are shown to risk becoming unsustainable if they develop their complexity to the point of overstraining the carrying capacity of the environment. To forestall this scenario, systems can improve their sensitivity to the environment and constrain their own complexity. These sustainability strategies reveal the systems-theoretic meaning of corporate social responsibility. Explained in this way, corporate social responsibility turns out to be a functional equivalent of vertical integration seen from the perspective of Williamson's transaction cost economics.

Mridula GoelDr. Ms. Preeti E.Ramanathan 2014,¹⁴ There is growing research in all areas of ethics and CSR that govern the activities of a firm and the value systems that underlie their business activities. In our paper we have explored the concepts of Business Ethics and Corporate Social Responsibility with a perspective that meaningfully CSR should be seen in the context of an overall paradigm of Business Ethics. We have studied CSR through the framework of the stakeholder theory of the firm and posit that CSR as practiced today is a subset of Business Ethics with other dimensions of an overall ethics framework still uncovered.

¹¹ Hartmann, Monika (2011). "Corporate Social Responsibility in the food sector". *European Review of Agriculture Research*. Vol.38. No.3.Pp. 297-324.

¹² Brammer, Stephen., Jackson, Gregory & Dirk Matten (2012). "Corporate Social Responsibility and Institutional theory: new perspective on private governance". *Socio- Economic Review*. Vol.10. Pp.3-28.

¹³ Corporate social responsibility and sustainability: insights from Boulding and Luhmann Vladislav Valentinov & Karin Larsen Pages 317-324 26 Jun 2013

¹⁴ Business Ethics and Corporate Social Responsibility – Is there a Dividing Line? *Procedia Economics and Finance* Volume 11, 2014, Pages 49-59 MridulaGoelDr. Ms. Preeti E.Ramanathan

MiglėŠontaitė-Petkevičienė 2015,¹⁵ this paper analyses corporate social responsibility in relation to corporate reputation building and management. It provides theoretical analysis of reasons for corporate social responsibility and main practices of corporate social responsibility in relation to building good corporate reputation. However, main findings of this paper are related to the examination how corporate social responsibility activities increases and enhances corporate reputation. This affect is analyzed from the perspective of various stakeholder groups.

Wang, Tong, Takeuchi, and George 2016,¹⁶ the idea of corporate social responsibility (CSR) that is, businesses bearing a responsibility to society and a broader set of stakeholders beyond its shareholders gained currency in the 1960s. Since then, attention on CSR has been growing in both academic and practitioner communities around the world. While there have been criticisms and debates on whether it was appropriate for corporations to expand their remit beyond shareholder value, an increasing majority of corporations have proactively committed to addressing larger societal challenges. With a variety of options for corporate engagement in mainstream society and local communities, corporations have created dedicated organizational units to effectively manage their social obligations. There is commensurate growth in specialized organizations operating at national and global levels that advise on, and often implement, targeted short-term projects or longer-term sustained community-level programs.

Sang Kim Tran 2017,¹⁷ This paper provides a viewpoint of the culture and subcultures at Google Inc., which is a famous global company, and has a huge engineering staff and many talented leaders. Through its history of development, it has had positive impacts on society; however; there have been management challenges. The Board of Directors (BoDs) developed and implemented a way to measure the abilities of their managers, which helped to identify problems. This paper will analyze the case study of Harvard Business Review, Oxygen Project, and clarify the management problem in Google's organization. It will also compare Google with Zappos, a much smaller organization, and present how the BoDs of Zappos assesses its culture and subcultures. In this paper, we will recommend eight important points to building an organizational culture that is positive for stable growth of a company. We believe that much of what be learned could be useful to other business leaders, regardless of company scale.

Uwafiokun Idemudia Nedo Osayande 2018,¹⁸ The widespread adoption of corporate social responsibility (CSR) policies by oil transnational corporations in developing countries have led to calls for a concerted effort to better capture CSR effects. Unfortunately, capturing the impacts of CSR is not as straightforward as it might seem. In fact, oil companies operating in the Niger Delta continue to face the challenge of how to determine the success or failure of their CSR initiatives either in terms of its effect on community development or its impact on corporatecommunity relations. However, the framework also suffers from some shortcomings that can reasonably be addressed. The article considers the theoretical and practical implications for efforts to assess CSR contribution to community development in developing countries.

¹⁵ Procedia - Social and Behavioral Sciences Volume 213, 1 December 2015, Pages 503-508 <https://doi.org/10.1016/j.sbspro.2015.11.441> CSR Reasons, Practices and Impact to Corporate Reputation MiglėŠontaitė-Petkevičienė

¹⁶ CORPORATE SOCIAL RESPONSIBILITY: AN OVERVIEW AND NEW RESEARCH DIRECTIONS Wang, Tong, Takeuchi, and George Academy of Management Journal 2016, Vol. 59, No. 2, 534–544. <http://dx.doi.org/10.5465/amj.2016.5001>

¹⁷ GOOGLE: a reflection of culture, leader, and management Sang Kim Tran *International Journal of Corporate Social Responsibility* 2017 <https://doi.org/10.1186/s40991-017-0021-0>

¹⁸ Assessing the effect of corporate social responsibility on community development in the Niger Delta: a corporate perspective Uwafiokun Idemudia Nedo Osayande *Community Development Journal*, Volume 53, Issue 1, 1 January 2018, Pages 155–172, <https://doi.org/10.1093/cdj/bsw019>

III. CONCLUSION

To conclude with, CSR should be inbuilt into the functioning of various activities of corporate sector. It should be a way of life for them. In more revealing words, CSR does not mean ‘earning money by hook or crook and diverting portion of it as tax saving measures or otherwise in name of welfare activities’. Such an approach is against the vision of Mahatma Gandhi who considered CSR as an ethical act. Ethics calls for purified mind resulting into purified thoughts which would result into purified actions. So, purity must be in the beginning, during the process and at the end with all CSR activities. There are various activities such as design, planning, production, commercial, HRD, quality assurance to be performed by a company in corporate sector. Performing all these activities in a right manner at the right time by the right people will result into right product meeting the requirements of customers. Such companies will be truly socially responsible, and would not hesitate in diverting a portion of profit for public good.

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