CHAPTER -2

REVIEW OF LITERATURE
A research work remains incomplete without developing a deep understanding based on the study of previous researches. Previous research work is not only crucial in developing an orientation towards a particular topic but also guides the way in which one should move for the purpose of further study. The researcher has attempted to study all the available literature in detail in order to ascertain the objectives and methodology of the present research work. Due care has been taken to deal specifically with the literature review related to Corporate Social Responsibility, however, few references to some other relevant findings related to CSR have been incorporated. Various researches have been reviewed extensively with the objective to develop a deeper understanding of the research methodology, research findings and to identify the gaps that subsist in literature in this area.

According to Parker et al. (2003), employees’ perceptions of CSR and their behavioral relationship consequences have not been identified appropriately. Known that employees’ perceptions will influence individual behaviors significantly, employees’ perceptions regarding CSR is understood to envisage individual level effect like organizational commitment, in-role behavior (IRB) and extra-role behavior (ERB).

Weick (1995) says that employee perception differs from person to person as it represents employees’ understanding of organizational activities and sense making process. Subsequently, this kind of perception will give way to employees’ attitudinal and behavioral reaction as studied by Rodrigo & Arenas (2008).
Riordan et al., (1997) established that employee’s perceptions of corporate image can affect job satisfaction in an optimistic manner, and adversely affect profit and profit objectives by reinforcing their identification with the company. According to Pratt (1998), organizational identification is the extent to which members of the company observe that the defining attributes of the company and their own are common. According to the social identity theory, individuals have a tendency to strengthen their self-esteem and augment their self-image by identifying with groups and establishments known for their social commitment and accountability.

Pivato et al. 2008 contend that although a substantial amount of research has been conducted in the field of CSR, literature resulting from it is restricted in a significant manner i.e. effect of CSR activities on the in-house stakeholders-the employees. According to Balmer and Greyser (2002) employees’ perceptions and viewpoints about a company’s values and devotion to society are vital in molding their conduct towards the firm and the management, but this important feature of CSR has carelessly been overlooked by the researchers of this field. Aguilera et al., (2007) supported this opinion contending that so far, not much study has been done on the employees as a unit of scrutiny in the research conducted in the field of CSR. Moreover, they believe that although the CSR initiatives hold a lot of relevance for employees’ approaches and conduct, still this aspect of CSR remains to be examined by the OB and HRM researchers.

Conversely, if an employee perceives that his or her organization behaves in a highly socially responsible manner even towards those outside and apart from the organization, he or she is likely to have positive attitudes about the company and work more productively on its behalf. The authors further say that when employees, like other stakeholders, regard their organizations as responsible, compassionate, and
benevolent citizens of their community (a goal of CSR activity), they will be more likely to be contented with their employment relationships with such organizations. Likewise, Ellis, A. D. (2008) refers to a term Personal Social Actions (PSA)—the activities that do not include CSR initiatives undertaken by the firm that have no employee involvement such as community grants, donations, corporate-wide sustainability programs, and in-kind donations—and says that employees who have the opportunity to personally and directly engage in personal social actions (pro social behavior to the outside community, not to those in organization) will experience stronger positive outcomes than those employees in organizations who do not have the opportunity to act directly or those who choose not to.

Coldwell, (2000), is a theoretical and empirical research on the perceptions and expectations of Corporate Social Responsibility. This research centers on the issue of variations in individual perceptions and expectation of Corporate Social Performance (CSP) and there is proof to support possible underlying connections between CSP, Corporate Reputation (CR) and Corporate Financial Performance (CFP). In the research a five point Likert-type scale was employed, stretching between strongly agree to—strongly disagree and other data item in the questionnaire incorporated: age, gender, ethical group and home language. It was established that the perception/expectation of CSP gap is not one comprising only of two parallel lines but where the likelihood of a joining could happen.

Ehsan and Ahmed (2012) are pertinent to the Pakistan viewpoint. According to them the company’s social responsibility and positive conduct instills trust in the employees towards the company, motivates them, and moulds their self-confidence. The researchers also study the kind of relationship between employees and corporate social responsibility in the environment of Pakistan employing statistics of
approximately one hundred companies from the Manufacturing sector for the time period of 2006-2009. The researcher has analyzed the data using Correlation and Generalized Least Square Random Effect Regression based applied Statistical tools and techniques. Findings of the work has detected that the relationship between employee and CSR is positive as far as the Manufacturing sector of Pakistan is concerned. Consequently, the positive relationship underlines the optimistic social conduct of companies in Pakistan in Manufacturing sector.

Ashforth & Mael (1989), in the past the studies such as this, established that CSR initiatives not only influence the outlook of the prevailing employees, they also showed their influence over the selections made by the probable employees. According to them, individuals get inclined to identify with companies when they perceive that the company has outstanding characteristics, high reputation and a lucrative image, which in turn makes them believe that joining such company would enhance their own self-esteem. These authors believe that a corporate's socially responsible activities send a positive gesture to prospective employees. Subsequently, the employees possibly get identified with a responsible company, particularly if their ethics match with promoted practices. These researches indicate the way a socially responsible image affects corporate attractiveness for probable workers like undergraduates, or MBA students (Blackhaus et al., 2002).

Ellis, A. D. (2009) throws light on an elusive point and contends that the knowledge of social responsibility policies among the employees may be equally or more important than firms’ actual CSR policies themselves for there is a possibility of employees having confusions regarding their organization’s policies. If employees do not have sufficient knowledge about their organization’s CSR initiatives, then they will not have any effect on employees’ outlooks or conducts. According to the
researcher when employees have knowledge about an organization’s CSR initiatives, an anticipation as a psychological contract is formed, and on the contrary, misunderstandings of CSR initiatives may give way to inadvertent influences, like disappointment that the organization is unable to utilize the resources efficiently. Nevertheless, Sen & Bhattacharya (2001) believe that mere knowledge of CSR activities is not enough to incite positive results. To a certain extent, employees must also perceive the CSR initiatives to be efficient and in conjunction with the organization’s actions or ethics. Bhattacharya & Sen (2004) go to the extent of suggesting the employees to try to evaluate the intents of the firm regarding its expenditure on CSR initiatives and to find out the reasons behind the firm’s engagement in the specific activity.

Mikael Holmqvist (2009) in his study contends that of late, organizations are now concentrating on their social responsibility towards the health and wellness of their employees. The approach has two benefits such as: to have improved health and wellbeing for workers at work place and, supporting liable corporations in the socio-competitive environment.

The Economic Times (11 Jan. 2013) news emphasized the company Dell’s policy of inspiring its employees in starting CSR. The news deliberated that company’s employees are the force that drive the company to work more for the society. Company with its employees has indulged in activities related to social responsibility in the field of education, environment and employee’s welfare. Along with Dell, the news focused on some other companies also like Maruti and Godrej, stating that these companies also offer orientation programmes to its employees for preparing them for social services. Maruti organizes a program called e-parivartan for a group of employees to brief them about problems of the society and their solutions.
Albinger & Freeman (2000), likewise, say that influence of CSR on firm's appeal is stronger for individuals looking for jobs having lot of alternatives and in case they have knowledge in advance of CSR and/or are straightaway related to the problems spoken about by CSR. Hence, CSR can be viewed as a valuable promoting instrument for enticing the most competent employees and is a vital element of corporate reputation (Fombrun & Shanley, 1990). This study shows that, by improving corporate image and status, CSR is a suitable instrument for publicizing to forthcoming employees.

In conjunction with this opinion, Cropanzano et al. (2001) offer that OB study has established that employees are not only affected by how the firm behaves towards them, but also how it behaves towards others, beyond themselves and the firm. Similarly, Becker-Olsen et al., (2006) say that employees' perceptions towards a firm is partly influenced by those firms that are involved in CSR activities. Findings of Rupp et al. (2006) are remarkable in this respect. According to them if an employee holds an opinion that his or her company acts in a clearly socially irresponsible manner (e.g., has injured the environment, has mistreated an endangered group, or has exploited the general public); there are possibilities that his or her work outlooks and conduct will become negative.

Poovan, N., Du Toit, M. K., & Engelbrecht, A. S. (2006). This research work examines the notion of value-based leadership as a force for adopting social values in particular workers in Africa. A strong theory outlook is employed and a theoretical model is raised to explicate the way efficacy can be affected by social values. The major objectives of the research work are to assist a better assimilation and coordination of a multicultural workforce and to formulate a positive involvement towards successful handling of people coming from different backgrounds, one of the
bases of the social aspect of corporate responsibility. The research demonstrates that African values give much importance to collectivism, teamwork, kindness, dignity, and respect. It concludes that these principles should trigger a value-based leadership style to improve team performance in contemporary firms.

**First Orpen (1987)** carried out a survey among senior managers in South Africa and the United States to discover their outlook towards CSR. The survey was designed such that one of its part assessed the managers’ "major arguments for and against involvement in social responsibility activities by business" (p. 90) and the second part assessed the managers’ "perceptions of the extent to which their society regards it as desirable that business engage in various socially responsible activities" (p. 91). The researcher discovers that US managers have a much more positive approach towards CSR initiatives than South African managers do. Alternatively, we can say that the US managers agreed to a greater extent with pro-responsibility statements whereas the South African managers were inclined to support more anti-responsibility urgings, and variances were stronger while referring to social in contrast to environmental matters. Furthermore, it is also demonstrated that US managers experienced more stress to participate in CSR strategies than their counterparts in South Africa did.

The approach that CSR initiatives should form a part of the business was virtually totally acknowledged by the commencement of the ‘80s; the ideas given by all the contributions of the former years have promoted the coming up of researches on some other notions and subjects, like stakeholder theory, corporate social performance, business ethics and so on (Carroll, 1999). This does not intend to mean that the CSR was kept away but as Carroll (1999) elucidates "the core concerns of CSR began to be "recast" into alternative concepts, theories, models or themes".
Rawlins (2005) presented that CSR signifies “doing well by doing good”. This implies, for example, that firms with greater CSR develop as the employers of choice (a great place to work), a neighbor of choice (society where it works is happy to have it working there), and vendor of choice (evading bad product design and safety matters—offering complete worth). The actual test lies in companies to be responsible outside financial duties.

Agunis, Glavas (2012), study with the title “What We Know and Don’t Know About Corporate Social Responsibility: A review and Research Agenda” in Journal of management, based on 588 journal articles and 102 books. The work offers an outline of CSR activities, which affects external as well as internal stakeholders, and consequences of such activities. The study also improved the understanding about stages, types of CSR; necessity to understand CSR with consequences etc. In addition to this, the researcher also recommended an outline of research design, data analysis and measurement for further research of CSR.

Ligeti and Oravecz (2009) studied CSR in Hungary. They established that two third of the organizations under study see CSR as compliance regulation, approximately the half as taking care of stakeholder concerns and ethical behavior while only 38 percent identify it as environmental protection and only 5 percent as social inequalities correction. When survey was done amongst people from diverse education levels, on an average 27.9 percent of them completely approved that the organizations indulge in such initiatives for publicity while on an average only 9.7 percent completely disapproved. 69.0 percent of the respondents went in support of the statement “A company is part of society, too, therefore it has a duty to support its environment” while only 9.7 percent completely disapproved. Both these responses could be recorded on a five-point Likert scale.
Numerous things hamper the advancement of CSR in Indian business circle. **Indu Jain (2008)** in her study found, that the failure to comprehend, insufficiently trained workers, absence of reliable statistics and precise facts on the types of CSR undertakings, attention, policy etc. reduce the reach and make CSR initiatives less effective in India. However, at present, the scenario is changing—CSR is now being understood as “business necessity” instead of being viewed as simply “doing social good”. The “business case” for CSR is becoming popular and business organizations are recognizing that “what is good for workers – their community, health, and environment is also good for the business”.

**Sweeney, L. & Coughlan, J. (2008).** The researchers study how annual reports treat the CSR related issues of different groups of stakeholders to conclude if the group’s interest is stakeholder and industry based. On the basis of stakeholder theory, a lot of importance is given to stakeholder aspects and features, comprising influence, legitimacy, and urgency, and also to primary and secondary stakeholder classifications. A content analysis methodology was followed to scrutinize annual reports of 30 big public international organizations, by industry, for CSR messaging. The examination acknowledged solid similarities in the aiming at of CSR communications in the annual reports and intra-industries, and although several organizations have separate CSR reports, the summary was each time given in the annual reports. The study also concentrates on an absence of distinct emphasis on the advantages of CSR for the shareholder as a particular stakeholder, for only one of the seven companies in the research give any attention to them. At the end, the following insinuations can serve as a guidance to marketing communications experts: (1) the annual report should be such that it appears attractive to a large number of stakeholders, assuming the industry within which the organization functions, (2) it
would be advantageous to be acquainted with social reporting from a viewpoint of accounting so as to comprehend rules framed by various international organizations in the field, and (3) it should be kept in mind that annual reports have several addressees, not just shareholders.

Freeman and Velamuri (2008) have put forward a different variety of CSR, termed as Company Stakeholder Responsibility. We are already familiar with Freeman's Stakeholder Theory where he emphasizes the significance of the stakeholders, arguing that it is essential for an organization to identify its accountabilities towards them all. This explains why in the acronym CSR, the "S" now replaces social by the stakeholder. However, this is not solely the point of departure, which is needed: the use of company instead of corporate "signals that all forms of value creation and trade and all businesses, from start-ups to large publicly held corporations, need to be involved"; and according to them "responsibility implies that we cannot separate business from ethics". The researchers contend that the market system does not signify a system separate from social and ethical problems, solely targeting the rise in yield; nonetheless it is a mechanism which lets the participants work together to generate worth. Hence, the firm is none other than one of the numerous existent participants in the system who are willing to attain a shared objective.

Shropshire, C., & Hillman, A. J. (2007). This paper explores stakeholder management. Latest studies show marked intrafirm unevenness in stakeholder management from time to time. This research attempted to elucidate why organizations undergo noteworthy variations in stakeholder management. The researchers recognize background of alteration at all levels such as institutional, organizational, and executive. The researchers analyzed their predictions by means of a longitudinal sample of stakeholder management records and converse about the
consequences of the results for investigation and practice. The researchers infer that while their results initiate to delineate boundary conditions of stakeholder theory, advancement in this field will aid to direct the width and depth of stakeholder management.

Schraa-Liu, T., & Trompenaars, F. (2006). The researchers put forward and validate the definition of responsible leadership in the present-day corporate world. They elucidate the major difficulties responsible leaders go through in a global multi-stakeholder society and the reason for the suitability of presenting cross-cultural capability as the basic requirement for responsible leadership. They explain the way to build up responsible leadership traits and the way they create the tendency to harmonize with the outside stakeholders. In addition, they examine the internal course taken to responsible leadership. Based on wide-ranging study and an assessment of leaders throughout the world, the researchers reached the fundamental proposition that victorious leaders in the present century use their inclination to resolve dilemmas to an advanced level. The investigations divulge evidently that proficiency in resolving dilemmas is the most deciding factor that points out the difference between the successful and not so successful leaders. It is a dire need for the leaders to handle culture by incessantly managing dilemmas. Few major dilemmas leaders, possibly, can come across are those involving internal organization and outside stakeholders, internal organizations and shareholders, and shareholders and outside stakeholders. The researchers arrive at the point that responsible leaders identify, value, and resolve the numerous expectations, wellbeing, requirements, and contradictions arising out of their essential responsibility towards employees, customers, suppliers, communities, shareholders, the society, NGOs, and the environment. Leaders, their organizations, and society develop and flourish not by giving preference to one end over the other.
but by resolving both ends. Resolving external conflicts begins with the internal world of leaders. It necessitates self-control and self-mastery, emotional and principled capabilities that enhance behavior.

**Franck Amalric and Jason Hauser (2005)** contend that the possible advantages industries draw from CSR initiatives spring from two sources. One is, conduct expected by the close stakeholders of an organization—its consumers, employees and investors—for responsible corporate behavior. The other reason for the embracing of CSR initiatives by organizations is the fear that the government will levy new regulations on firms. This is evidently a neoliberal perspective that emphasizes on the substantial dangers to a firm's bottom line that might surface if the firm's actions produce an undesirable reaction amongst its stakeholders.

**Roome, N., & Wijen, F. (2006).** This article focuses on the commitment between stakeholders and firms in the execution of corporate environmental management as one particular facet of corporate responsibility. The research is formulated on comprehensive comparative case studies of two firms recognized by outside stakeholders for their upbeat attitude towards environmental problems. The study was based upon the notion of corporate environmental management as a type of organizational wisdom. The cases analyzed the intricate relationship between aspirations of firms, the format of learning, and the effect of outside stakeholders on the manner and consequences of learning. An organization had a towering aspiration, and generally fixed principles that were considered being further than stakeholder necessities. It was not hindered by its weak learning schedules as its tie up with stakeholders gave less substantial information to assist it in fulfilling its goals. Persons at high position of the organization chose the aim and orientation towards stakeholders. The other firm had more humble objectives but employed a very nicely
designed and controlled process to make sure it was fulfilling the needs and expectations of chief stakeholders. These expectations were later developed internally into a group of actionable components. The potency of the learning process gave way to the triumph of results but the influential or chief managers could not influence much, who were more the custodians of the process than its substance.

Hatch and Schultz (2001) claim that to build a brand promise that goes well with the actual brand experience presented by organizational members the proposed repute should blow into the organizational principles of the firm. The capability of top officials to consider the organizational principles places them in a situation to transfer the original ideas of the firm, which can offer the base for a discrete and reliable corporate repute. Further, it is essential for the administrators to pay heed to the opinions stakeholders offer on the organization and confront the culture with them. Therefore, alliance between apparent corporate reputation and real organizational beliefs helps the stakeholders to know about the organization and its image, and increases the company's appeal and image.

Gond, Crane (2008), studied the distortion of the idea of corporate social performance. The research revealed that the previous researches have recognized some reason of continuous decline in the interest of researchers into corporate social performance. The paper also suggested models on the basis of which the researcher explained why the CSP concept has lost its importance and development. In addition to this, the study presents some model, which is used in it with reference to corporate social performance. It is concluded in this paper that tensions and contradictions are the beginning point to build the idea of CSP. CSP consists of numerous initiatives, which are required to be measured in a different way so that the researches can shift from a basic concept to a developed one.
Noor Firdoos Jahan (2010) deducted in her article that no regular norms exist for gauging, recording and assessing the social performance of a business organization. Various experts have come up with various models for this objective. However, no one has been able to come up with an overall approval yet. There is a requirement of evolving a wide-ranging model of social accounting further, which will aid in transporting the uniformity in recording. The display of the data should be in the balance sheet format containing the assets and liabilities of all the social undertakings taken up by the organization. Demonstration of uniform Value added statement should be made mandatory by enforcement of some laws by the government. The revelation of social information should be made at some fixed place. The social report consisting of data related to social activities should be submitted separately, along with the annual report.

Sethi, S. P. (Spring 1975). This study recommended employing the notion of legitimacy to assess corporate social performance. Corporate behavior can therefore be observed as a three-staged occurrence based on the varying concept of legitimacy from very narrow to broad. Corporate behavior can be defined as social obligation (this concept is prescriptive in nature; the traditional economic and legal criteria are necessary but not sufficient conditions of corporate legitimacy), social responsibility (this concept is prescriptive in nature), or social responsiveness (this concept is anticipatory and preventive in nature).

Wood & Jones (1995) in the past had contended that even if certain theoretical models of Corporate Social Performance clearly incorporated employees as a factor for examination of the results, only few researches have studied CSR’s impact on employees’ outlooks and conduct. This inquiry, that if CSR motivated outlooks and
conducts can influence employees’ performance in their establishments, and eventually the incomes of these establishments, has rarely been made.

Husted and Salazar (2006) studied CSR practices in companies with the aim of increasing both earnings and social performance. After comparing companies with each other, the researchers recognized three kinds of social investment (altruistic, selfish and strategic), arriving at the result that strategic investment improves outcomes for firms that attempt to attain the increase both in terms of earning as well as social performance. This strategic investment involves the establishment of interests and benefits to society both globally as well as locally. Moreover, it results in added advantages to the firm, like an improved repute, better and more competent labor, the distinction of goods and drawing out a better price. This research work concludes that a firm can increase value and draw competitive benefit by indulging into socially responsible practices, but it should essentially work strategically and there should be a linkage between CSR and the corporate strategies.

Lopez, M., Garcia, A., & Rodriguez, L. (2007). This paper investigates the effect of the inclusion of practices incorporated into corporate social responsibility on business performance. In the article, two groups of 55 firms are studied. The authors have chosen a total sample of 110 companies from the period of 1998 to 2004 and examined the relevant accounting indicators. Accounting data published by sample companies was collected. The relation between CSR and specific accounting indicators was examined. The researchers analyze whether there is any noteworthy difference in the performances of the European firms that had incorporated CSR and others that had not. At the end, they concluded that there is a negative relationship between the performance signifier and CSR. This shows that the performance signifiers are negatively affected by the sustainability practices throughout the initial
year of their application. Long-sightedness is essential for an organization to employ new policies in the financial plan.

Milton Friedman (1970) is one of the sturdiest challengers of attaching social responsibilities with business houses. He vehemently condemned CSR practices by saying that: “The businessmen believe that they are defending free enterprise when they declaim that business is not concerned ‘merely’ with profit but also with promoting desirable ‘social’ ends; that business has a ‘social conscience’ and takes seriously its responsibilities for providing employment, eliminating discrimination, avoiding pollution and whatever else may be the catchwords of the contemporary crop of reformers...Businessmen who talk this way are unwitting puppets of the intellectual forces that have been undermining the basis of a free society these past decades”.

(Friedman, 1970)

Kapelus, P. (2004, June). This study emphasizes CSR and the notion that being accountable as an organization is not just a corporate social investment. The researcher contends that charity to community is extremely imperative in South Africa and that being accountable is also about being accountable as directors. It is related to the influence on the community and the surroundings in which you function. It is related to workplace matters, your influence on the marketplace, your promotion and the way you sell your produces, what goods are being developed and how they affect people. Corporations recognize that the accountability cannot be assigned to one department or an establishment. It should be spread over the complete business. Moreover, the researcher is of the opinion that firms have to understand that there are substantial business gains to be extracted from being accountable. In similarity with technology, business cannot be separated from how business carries out its actions, and in the same way, corporate responsibility cannot be viewed as
supplementary. Many South African firms are indulging in Corporate Social Responsibility since long. The task now is to syndicate these CSR abilities and proficiency integrally with the business. It is a situation where both business and the community have to be brought together. In the end, the researcher states that corporate responsibility and eventual responsible effectiveness consists of elementary business ideologies and the way establishments perceive the future threats, and of the way, these threats are accounted for.

Paine, L. S. (2003). Through the subtitle Why Companies Must Merge Social and Financial Imperatives to Achieve Superior Performance, the researcher evaluates variations in business in the past few decades, which comprise technology, greater globalization, intensified competition, and changing demographics and ethics. The researcher designates that ranging from 2001–2002 period; values are vital corporate concern. She says, “Values are a critical success factor in today’s business world”. Moreover, business ethics are changing because of factors related to the following:

- Risk management-preventing missteps.
- Organizational functioning-a positive effort to build a well-functioning company.
- Market positioning-shaping company’s identity and reputation; building brands; earning trust of customers, suppliers, and others.
- Civic positioning-improved standing in the community.
- A better way-for companies to be honest, trustworthy, innovative, fair, responsible, and good citizens-better in and of itself.
Elements that play a part in the changing ethics entail magnitude of the firm; developmental phase; and societal issues, like the laws and media, in the United States. The changing ethics in developing markets include other complexities. The researcher contends that the modern measurement for businesses is more complicated, and that to succeed in terms of modern criteria, businesses need to exhibit super financial outcomes, and at the same time reveal ethical acumen in their transactions with their employees, customers, and other communities. According to the researcher, this has affected tremendously the way organizations are operated and steered. She says that with the increase in the appreciation in the financial benefits of safety, quality, environment, and other social interests, the clashes between shareholders and stakeholders come down. Furthermore, she throws light on a move from “ethics costs” to “ethics pays,” with firms turning more center-driven by harmonizing values and finances. Therefore, fundamental traits express a firm’s basic character. The shift to ethics mirrors a progression in what has sometimes been termed as the personality of the organization. Lastly, the world-class performers of the future will be those that can satiate both the social and the financial demands of their communities.

Jain Sugan C. and et al. (2007), in their article, have depicted the way social responsibility performance assessment can perform as an accounting measure of management competence. Actually, it has laid a lot of emphasis on socio-economic and socio-human responsibilities towards others. The article tries to demonstrate that now a days there is an urgent requirement of highlighting social responsibility more strongly, which the business world is capable of and should carry out. The subject of the article is that the extent of corporate social responsibility includes not only financial welfare but the human facets of life as well. Moreover, if the administration
of a business firm carries out its social responsibility well, it can be said that the administration has performed its work proficiently.

**Wickramasinghe (2006)** examined the effect and connection of CSR with the success of chosen manufacturing firms in Sri Lanka. He addressed six CSR issues: economic, personal, product, environment, discrimination and community and calculated the success of the firm employing Return on Investment (ROI). He presented the results revealing that there is a noteworthy positive connection between the success of those firms and the amount of social responsibility in Sri Lankan firms. Advanced examination demonstrated that economic (shareholders) and personal (employee) issues are the key social issues that have an effect on a firm.

**Brammer, Jackson & Matten (2012)**, research with the title, “Corporate Social Responsibility and Institutional Theory: New Perspective on Private Governance” in Social Economic Review illustrated that CSR is something beyond voluntary action. In this research, CSR has been explained within institutional theory. The institutional theory describes that corporate social accomplishments are not merely voluntary undertakings but they are a part of interface between corporate and society. Regulation/control is essential for improving the business performance of industries through CSR. The study also lays down the manner in which industries should carry out their social responsibilities whether historical, political or legal.

**Mallen (2012)**, in this article the changing patterns of CSR from the last many years have been shown. These changes have shown their effects on both the society and business. This paper explained three fundamental things about the changes in trend, which are as follows:
• First of all, the correlation between business and society has altered. The reason for this is the problems related to society and environment around the world. Consequently, business and society have moved closer.

• Next thing, which also affected society to a large extent, is the businessman’s policy of developing business. Businesses’ new ideas, concept, developments also came with CSR management that is reflected in their products and services.

• Lastly, the other entities like external bodies and organization’s own objectives also impede the organization’s working.

A study published at knowledge @ Wharton on 23 May 2012, suggested that with the changing generation the importance of CSR is also changing. The researcher said that the next generation of business would give undue importance to the CSR activities while past researchers like Milton Friedman referred CSR as window dressing for businesses. Further, in this article, with the help of several examples, it has been discussed that companies engaged in CSR are more profitable in terms of money, human capital and other resources. Some companies and researchers termed CSR as cost saver while some others take it as reputation building activity. Lastly, it was concluded that CSR is beneficial for the society as well as business.

The Economic Times, (21 Oct. 2012), research by the title “CSR: A cloak for crooks” discovered that several firms, in spite of indulging in Corporate Social Responsibility, are going through financial crisis, fraud and other unsocial causes. The article cites the example of the company, Satyam Computer Services. This organization has secured various awards in the field of CSR, which comprises rural community’s commitment and services like healthcare, education and water.
Saboji, and Indira, (2011), "The Relationship between Corporate Social Responsibility and Sustainable Development". This research makes an effort to comprehend how CSR contributes to various dimensions of Sustainable Development (SD). This paper tries to comprehend the correlation between the CSR and SD in environment and social dimensions, while doing this, the research also takes into account how the small and big companies behave while contributing to SD through CSR. The study recognized the relationship between CSR practices and SD which prove the significance of CSR activities (environment and social activities in our study), in the direction of improving sustainable development. The study concludes that a successful execution of environmental and social activities can develop the level of CSR in different sized organizations. Many organizations have policies of saving the environment, such as saving water and electricity, making use of renewable resources and recycle material, switching over to technology, which creates the objectives and services that comprise the world wealth. This in itself results in increased sustainable development, improved environment and social activities.

Matten and Moon (2008) specified in their research that there are two separate components of CSR—the implicit and the explicit. Explicit CSR signifies those corporate strategies, which undertake and communicate obligations for some common social well-being. They generally involve voluntary proceedings and policies by establishments that syndicate social and commercial worth and speak of matters observed as being integral to the social responsibility of the firm. “Implicit CSR” signifies the role of an establishment inside the broader official and unofficial organizations for society’s benefits and wellbeing. Implicit CSR generally entails ethics, standards, and guidelines ensuing compulsory and usual necessities for
businesses to speak for stakeholders issues and that spell out appropriate responsibilities of corporate players in combined instead of separate terms.

Venu Srinivasan (2007) underlined that Corporate Social Responsibility is not just philanthropy and should not be understood as "giving and receiving". A strong CSR undertaking must involve the less fortunate based on partnership. "CSR means sustainable development of the community by being partners in their progress". There are many welfare schemes being carried out by the government on a regular basis but it is quite known that in maximum number of cases the most deserving do not get the benefits. As industries are expert planners and can manage both work force and finances more efficiently, it is easy for them to offer the missing components of management and organization, set up the "last mile connectivity", and makes the advantages reach the people who need them. Hence, the objective of CSR could be "unlocking" the missing link of connectivity. Industry should act as a catalyst in the process of development of society. They should offer the leadership, the expertise, guidance, etc.

Narwal, Sharma, (2008), focused on the Observations of Corporate Social Responsibility in India empirically. As the economy liberalized, the speedily changing Indian community is being highly affected by the corporate sector. The purpose of the research was to discover the views of the Indian community in terms of Corporate Social Responsibility. Northern India was selected for picking up the Sample respondents, in which sex, age, income, occupation and education remained controlled. It was designed such that the Variables were arranged as statements and the answers of the respondents were documented on a 5-point Likert type interval scale. It was concluded that in a market-based economy, people looked at CSR activities with apprehensions and they want business houses to behave dutifully and
morally. The procedure of more assimilation of the society and corporate world is needed and the corporate world has to strengthen the constructive drive to build up the confidence in the society.

David, Kline, and Dai (2005) presented this problem: "consumers' knowledge of CSR practices of an organization is a function of corporate communication activities" (p. 298). This knowledge can give way to optimistic views of the firm, and to purchase intention and conduct. Viewing a company's readiness to involve in optional CSR practices and moral/ethics envisage belief that the company has unshakable corporate social values.

Ellen, Webb, and Mohr (2006) realize that consumer perspectives on CSR performance, rather than being unidirectional—meeting either economic or social demands, are multifaceted. It influences the customers more when they witness CSR based on morals and strategy. They have negative opinions of firms whose actions are based on egotism or simply on accommodating.

Graafland, J., & Van de Ven, B. (2006) in their research focused on a sample of 111 Dutch companies. It is an empirical study and it examines the hypothesis that a positive strategic and ethical interpretation of CSR encourages small and medium size companies to indulge into CSR domain. In order to carry out the research, managers' strategic opinions of CSR (the extrinsic motive), and their ethical opinions (the intrinsic motive), have been recorded through a single-item methodology related to five stakeholder groups: employees, customers, competitors, suppliers, and society at large. The extrinsic motive is built as a company's ethical obligation, whereas the intrinsic motive views CSR as a contributor in the long-standing financial profits of the firm. The conclusion reveals that maximum number of respondents held a positive
opinion regarding CSR in both the aspects. However, there is a feeble relationship between strategic CSR and real CSR acts. The strategic view creates active strategies only with respect to consumer relations and to some extent to employee relations, but not to the other three stakeholders. Although the basic requirement for the application of CSR is a growing knowledge of the strategic significance of CSR by highest firm leadership, the results of this research divulge that a positive strategic understanding of CSR is not the only condition sufficient for a company to actually indulge into enhancement processes. The application of CSR is more about ethical obligations than financial gains, and this recommends having a careful view about CSR and its monetary gains.

Schuler and Cording (2006) have generated a theoretical model of consumer behavior built upon the procedure which plays a role in the decisions taken by the consumers to buy, depending upon various features of information strength, like the origin of information, amount of dissemination, and corporate image, to elucidate the intricate linkage between corporate social performance (CSP) and corporate financial performance. It would be advisable to assess their consumer behavioral model in various business and countrywide environments. Moreover, several investigators have studied how marketing professionals and their discernment of consumers affect CSR matters.

Vosburgh, R. M. (2007). This paper is a specific version of a talk on structuring the triple bottom line (TBL). Human resources’ contributions for environmental, social, and financial performance. The paper presents a gist of articles that were submitted from a large set of experts for analysis. The researcher explores leadership and the working of the business world in gathering leaders on board who will assist in guiding the sustainability commitment. This presents a “plane shift change” ahead of CSR,
society relations, and philanthropy. The paper provides information and guidance to the contributions of human resource in sustaining the TBL. The TBL is a familiar term among business community, particularly those in big international undertakings. Since long, there has been a debate in Europe and more lately in North America, over the notion of synergization and optimization of economic, social, and environmental performance. Two indications of a developing agreement about the duties and opportunities witnessed by all corporations, in bringing about positive, sustainable growth into this century. Further, there are the United States Climate Action Partnership recommendations declared in January 2007 by an alliance of corporate and NGO leaders shortly followed by the definitive scientific conclusion related to the global climate change declared in Paris. This paper presents three case studies explaining the way particular organizations are employing HR in various TBL-related undertakings. The paper determines that there are various verified instances on firming that the notion of TBL is feasible and analytically imperative for companies to comprehend and embrace. The connection between enterprises and improved performance are proven. Next, performance is boosted once HR takes on a dynamic leadership role in generating formal, approved, and supported tools, practices, and procedures.

Bansal, Parida, Kumar (2012), article by the title “Emerging trends of Corporate Social Responsibility in India” in KAIM Journal of Management and Research examined 30 firms of 11 sectors enumerated in the Bombay Stock Exchange on the basis of their annual reports. These sectors include Transport Equipment sector, Finance and Metal Mining sector, IT & Power, Capital goods, Telecom, Housing, FMCG, Oil & Gas and Cipla. The study focused on the nature and parts of society in which the firms are investing. After analyzing all these points the article concludes
that in the present times, the organizations are not being run only to earn profit but also they have recognized the significance of being social friendly. Therefore, on the basis of this article it can be inferred that social responsibility has now begun to tread on a new track.

**Jorge A. Arevalo and Deepa Aravind (2011)** concluded in their research entitled “Corporate Social Responsibility Practices in India: Approach, Drivers, and Barriers”, that the most preferred CSR approach by the Indian companies is the stakeholder approach and that the considerate or the ethical intention, along with the strategic or profit objective, are vital incentives for Indian companies to practice CSR. Moreover, the results signify that the most noteworthy hindrances to CSR execution are those associated with limited resources, followed by those associated with the intricacy and difficulty of executing CSR.

**Debabrata Chatterjee (2010)** in the research paper “Corporate Governance and Corporate Social Responsibility: The Case of Three Indian Companies,” examined the corporate governance (CG) practices of three major Indian companies, namely ITC Ltd., Reliance Industries Ltd, and Infosys Technologies Ltd., based on four elements such as, “Approach to Corporate Governance,” “Governance Structure and Practices”, “Board Committees” and “Corporate Social Responsibility Activities”. The study concludes that all the three firms are performing well both on the CG and the CSR fronts while Infosys appears to be performing much better than the other two; that all the three organizations are also counting ‘long-term shareholder value’ and nearly equating i: with ‘long-term: stakeholder value’ is a signal of the extinction of the “dog eats dog” policy of the past.
Oana Branzei (2010) specified in his research examination that the Tata Group, an India-based innovative multinational initiative with an exceptional 140-year old commitment to the public, is the forerunner in India for CSR undertakings. Regardless of the 2008-2009 global recessions, the Tata Group came up with the highest economic value creation charts. During 2008-2009, the Group had grossed US$70.8 billion in revenues. 64.7 per cent of the Group’s profits were now pouring from other countries than India. It studies value-creation, management, values and sustainable progress within the framework of speedy internationalizations and changing stakeholders’ expectations for corporate social responsibility.

Saboji, and Indira, (2010), an Examination of Corporate Social Responsibility of Indian Organizations. The globalization of the world economy and the associated business liberalization had its effect on the swiftly changing Indian society. Corporate social Responsibility (CSR) signifies the connection between corporate and the public and the role of corporation in the economy. The objective of this research was to examine the CSR in India Hence, Infosys Technologies Ltd was chosen. Initiatives related to Art and culture, Education, Healthcare and Development of Rural areas, were selected to discover its CSR performance. The research carried out by Karmayog (2008) also studied the condition of CSR in India. On the basis of the CSR activities the essential arc, adequate circumstances were set for an organization to arrive at various levels. Subsequently the CSR initiatives in Infosys were explained.

Shah, Bhaskar (2010), have undertaken a case study of public sector organization i.e. Bharat Petroleum Corporation Ltd. in their article. They have dealt with the association between the firm and society, which according to them is quite vital. Any organization can exist only within the society. The organization employs the resources/inputs of the society and humans in the form of raw material. The
organization returns its dues to the society in the form of services. It becomes evident from the case study of BPCL that this organization has indulged in many initiatives as a service to the society.

Mc William & S. Seigal (2010) highlighted the significance of CSR as a strategy of improving the image of organizations. The research showed that companies vending convincing products, which are part of CSR activities giving way to consumer faithfulness and enhanced profits. In addition to this, the research also specified the significance of advertising for making the consumers aware about the social welfare activities of the organization. The research also indicated the role of media to inform the consumers about the organization’s activities and enhancing as well as destroying its image. In this manner, the research inferred about the image of a company through CSR.

Trascott, Bartlett, Trwoniak (2009), paper “The reputation of Corporate Social Responsibility industry in Australia” in Australian Marketing Journal, centered on the case study approach. Based on the interviews of important persons of businesses in Australia, the concept of CSR has been explicated. The businesspersons divulged that CSR progressively has become important. They discussed their outlooks on the importance of CSR in economic, legal and ethical fields of business in social circles. In addition to this, they considered CSR as a model of corporate image.

Saeed (2009) points out that many business houses in India are now taking up CSR ingenuities. Particularly for the FMCG firms, where the primary concern is reduction of packaging materials, these firms are working in the area of Environment care, Health care, Education, Community welfare, Women’s empowerment and Girl Child
care. Organizations like Hindustan Unilever have begun work on theoretical structure as a basis to reduce a firm's CO2 also.

**Sethi, S. P. (1979).** Succeeding Sethi (1975), this paper presents a conceptual structure to examine and assess business response patterns along three dimensions (corporate behavior as social obligation, social responsibility, and social responsiveness). The external environment is investigated in accordance with four categories: the pre-problem stage, the problem identification stage, the remedy and relief stage, and the prevention stage.

**Vaaland, Heide (2008),** uses a case study for research purpose. The objective of this paper was to take care of the significant incidents of CSR and use this knowledge in implementing the CSR initiatives. The research suggests that CSR should be taken care of by managing unanticipated situations, long-term diminution of distance between stakeholders and their expectations and organization's performance and lastly having connection with the society through interaction amongst actor, resources and actions.

**Gil Estallo, M. D. A., Finer de-la Fuente, F., & Griful-Miquela, C. (2007)** hypothesize that CSR is a novel management instrument and not a trendy notion, and they intend to evaluate the benefits and shortcomings thereof, to describe a management model for ensuring accountability within or among firms. The researchers present a notion of “company” with supply chain management at its core, encircled by competitors, customers, collaborators, and providers. They underline a point of disagreement with Friedman's 1966 declaration signifying that it did not consider all of the groups that must work together and act to bring about profit. Moreover, they signify that increasing profit is merely a mathematical notion, for
there is constantly the likelihood of attaining a performance, which can be better. The authors state that in the current business context of extreme competition and rapidly changing information, companies have to treat every one of their human collectives responsibly and adapt to the context in which it is located in order to grow and make profits. They theorize that CSR came to be known as a management tool at the beginning of this century and is here to stay, and they present many facts to support the statement. In the conclusion, the paper offers Argandona's 1997 list of aspects present inside an organization guided by ethical criteria; confines of CSR; and a formal model by means of economic, social, environmental, and business signals.

**Tangpong, C., & Pesek, J. G. (2007).** This research paper revolves around the large-scale corporate scandals in the present scenario because of which business ethics and corporate moral responsibility became a chief area of concern for managers, business schools, and the common person. Findings from the 2004 Harris-Fombrun Reputation Quotient survey presented a list of most horrible reputations from the most noticeable industries. Because of these deceitful and unreliable practices of these and other business houses, the researchers are driven to find out answers to the question of "What influences managers' decisions in moral and ethical dilemmas?" The paper presents supporting information on the ethical decision-making literature and the way it developed concentrating on two key themes: (1) ethical perceptions and attitudes and (2) social responsibilities of business. The researcher offers an experimental design as the investigative approach to analyze the anticipated hypotheses and employed vignettes as the research instrument. The contribution of this research to the business, ethics and ethical decision-making literature can be seen in three important ways:
It empirically analyzes the consequences of the philosophy of shareholder value.

It underlines the prospective issues of social desirability prejudice in business ethics research that are particularly based on attitude surveys.

It presents an experimental design as another research method to diminish problems.

Mackey, A., Mackey, T. B., & Barney, J. B. (2007). In this article, the researchers harp on the idea that while choosing their investment options, investors may at times have interests other than merely having financial profits. The researchers propose a theory that lays down the circumstances under which corporations will indulge in socially responsible actions, even if those actions lessen their financial profit. Based upon the definitions of CSR that centers on the chosen firm actions devised to make social or environmental state and the market (versus accounting) definition of firm performance better, the researchers build up a straightforward model of supply and demand for chances to invest in socially responsible companies. The market definition of firm performance includes the manner in which the socially responsible corporate activities can increase or ruin shareholder wealth. In addition, it also includes the supposition that the United States capital markets are partially sturdy and competent (Fama, 1970).

The model goes on to establish if socially responsible investing will perk up, lessen, or have no effect on a firm’s market worth. The results demonstrate that if the demand for socially responsible investment opportunities is more than the supply, then financial worth will be created, and hence, managers in publicly traded companies may be prompted to finance socially responsible activities, which do not make the
most of the current worth of the company’s cash flow. However, the researchers warn that if supply becomes more than demand, then it may result into a reverse effect on company’s value.

**Kinjerski and Skrypnek (2004, 2006):** They focus on the cognitive aspect of character while working, which is related to a conviction that one is indulging in worthwhile activity, which has a solemn objective; it is regarding a sense of achievement, doing something for the others, offering care, authority, power and meaning. No matter what we do, the final objective is the higher/greater cause. One has to work altruistically taking into account one’s own interests to be secondary while indulging in the greater cause.

**Porter and Kramer (2006)** in their research paper, which appeared on the *Harvard Business Review* titled “Strategy And Society: the Link Between Competitive Advantage and Corporate Social Responsibility”, condemn the stance that views the goals of business and that of society as being different, arguing, on the other hand, that they are sturdily interconnected and complementary to attain social interests. The dependency of companies and community on each other should generate a shared value, viewed “as a long term investment in a company’s future competitiveness”, where both the parties have advantages.

**Muniapan and Dass (2008):** in their research on *Vedic* CSR underlined a same sort of advancement of CSR in the ancient India. Initially, the basis of concept of CSR was largely religious merits and ethics like truthfulness, love, faithfulness and trust. According to Vedanta, a business is considered as genuine and an essential element of society, but it must generate wealth for the society by way of right means of deeds. The *Vedic* literature talks about ‘Sarvalokahitam’, which means ‘well-being of
stakeholders'. This refers to a moral and social accountability scheme must be basic and operational in all business accomplishments. Consequently, it may be understood that the concept of CSR requirements in Vedic literature is based on “dharma” which even the “Bhagavad Gita” holds with great reverence.

Muniapan, (2006). According to this study, “Dharma” means that which works for the benefit of all living creatures. With reference to the Mahabharata, Karna Parva, Chapter 69 Verse 58, “dharma” sustains the society, “dharma” maintains the social order; “dharma” ensures well being and progress of humanity, “dharma” is certainly that which achieves these goals.

Flynn (2005) contends that a person’s relationship with a firm can be improved with particular types of social exchange. As she alludes to the social exchange theory of Blau (1964), she says that individual levels of organizational identification can affect social exchange, and following procedures, speeded-up by CSR, can shape social exchange dynamics inside the companies. This is the way Flynn’s model assimilates theories of social exchange and social identity to elucidate the way a sense of responsibility can be generated among the employees and involve them in productive or counterproductive work conducts, gratifying or grueling CSR practices, particularly those focused on employees and work circumstances.

Rochlin, Witter, Monagahn, and Murray (2005) found that “by building a business strategy that aligns social, environmental, and economic performance with long-term business value, corporate responsibility becomes part of core business and is tied to long-term value creation for both business and society” (p. 8).

Bruch and Walter (2005) contend that organizations employ philanthropy to maximize their competitive gain by using blends of market (external) and competence
(internal) orientations. By studying market trends, organizations plan their philanthropic practices to accommodate external challenges and fulfill the expectations of major stakeholders. The organizations, thus, enhance their competitive gains by means of ‘improved marketing and selling capabilities, higher attractiveness as an employer or better relationships with governmental and nongovernmental organizations’. Deutsche Lufthansa AG, for instance, improves its bonding with societies within which it functions by carrying out a community-involvement program (Bruch and Walter 2005, p. 50). McDonald’s Corporation endorses Ronald McDonald House Charities (McDonald’s 2009) as its biggest corporate contributor (Ronald McDonald House Charities 2009).

Kotler, P., & Lee, N. (2005) in his book recognizes six main initiatives, which cover maximum social responsibility-related activities. The six social initiatives identified are listed below:

- Cause promotion
- Cause-related marketing
- Corporate social marketing
- Corporate philanthropy
- Community volunteering
- Socially responsible business practices

To elucidate differences, case studies are proposed. Moreover, 25 best practices together form the bases for arriving at decisions in the field of CSR. The objective of the book is to assist the maximization of the influence on corporate investments to
work for maximum social, environmental, and economic well-being. A theoretical perspective is put forward simultaneously with personal accounts of organizations. The book holds verified recommendations and actual-world suggestions on social enterprises. Socially responsible firms such as Ben & Jerry's, IBM, Washington Mutual, Johnson & Johnson, Microsoft, The Body Shop, Hewlett-Packard, and American Express are included. Ten tactics for success are suggested in the last chapter of the book. This book is useful for executives, administrators, and program managers of NGOs and public-sector agencies who are expecting support from organizations for evolving and executing initiatives intended to support a social objective.

Utting, P. (2005). The researcher while working as Deputy Director of the United Nations Research Institute for Social Development inspects the causes for civil society mobilization on CSR matters, the kinds of firms that play a role and their various types of involvement and dealings with business. The researcher then moves ahead to locate the methods in which business is appealing and molding the CSR schedule, and the reason for it becoming a proactive participant. Lastly, the researcher throws light on the way this schedule may progress depending upon the latest advances in CSR involvement and regulation. This examination strengthens the researcher's point that the CSR involvement can handle some of the most horrible indications of under-development, like pitiable working environments, contamination, and weak factory-community relations, but that it does not handle the major political and economic instruments through which transnational companies (TNCs) hamper the chances of progress of underprivileged countries. The researcher says that the prospects of the dual CSR movements (civil society organizations versus business) will be based on the extent of coming together of and co-regulation between both the
segments. It will also be based on novel arrangements of involvement focused on "corporate accountability," while delivering carefulness concerning prejudices towards business in these multi-stakeholder enterprises. Referring Newell (2001) and Bendell (2004), the author points out that unlike CSR, which emphasizes moral compulsion, corporate accountability suggests that TNCs have to answer to their stakeholders and be held to account through some element of punishment or sanction. These changes will lead to a new approach to CSR, one that is focused more on complaints processes, or complaints-based arrangements of regulation that enable the task of recognizing, examining, publicizing, and looking for amends for particular occurrences of corporate malpractice as an accompaniment to monitoring arrangements.

David Vogel's (2005) well-known book by the name The Market for Virtue: The Potential and Limits of Corporate Social Responsibility, presents a considerable and reasonable assessment of the CSR's movements, achievements and drawbacks. Vogel argues that consciousness of CSR is increasing day by day and this increasing tendency is clearly perceptible in the rise in social investment funds, intentional announcement of moral and ethical codes by greater number of corporate houses. Vogel recognizes considerable amount of improvement in the work environment in developing countries particularly in connection with the sensitivity towards human rights, adherence to labor rights, health conditions and safety measures at the workplace.

Matten and Moon (2004) have studied CSR and its nature in Europe and in the United States, and have presented a theoretical outline of 'explicit' as opposed to 'implicit' CSR, while acknowledging that these are issues of importance, not wholly dichotomous states. According to them explicit CSR as in the United States, is in
which organizations undertake important social and economic matters through their CSR policies, in substantial area because of less rigorous legal necessities than in Europe for matters like health-care provision, employee’s rights, environmental protection, etc. (p. 9). As opposed to this, in Europe and the UK, accountability for these matters is included in organization’s legal responsibilities, and therefore CSR is ‘implicit’ in the manner the firm does business. Their research concludes by suggesting that the institutional and legal characteristics of Britain exhibit its European character, so that there is a legal binding on the business houses, ‘an agreed share of responsibility for society’s interests and concerns’ (p. 9). In this inspection, Matten and Moon have covertly examined the problem if there is an ‘Anglo-American’ scheme of corporate governance, at least to the extent of agreed deductions on the recurrent debates of the corporate purpose.

Moon (2004), paper analyzed the part government plays in encouraging corporate social responsibility among the business community. The research expounded that the motivators of CSR are associated with business and society. Business comprises its image, organization itself, employee’s relation, awareness, objectives etc. Additionally, the work enunciated that the government acts as a motivator in encouraging CSR by creating this relationship honest through framing policies and guidelines. The work focused on the situation in other countries as to the way their governments entered into businesses for encouraging CSR.

Black and Hartel (2004) theorized a model, which they verified empirically to comprehend in a better manner, the relationship between their notions and how public affairs and CSR can make corporations more effective.

- Value based conduct and dialogue can strengthen public relations.
- CSR can lie down and strengthen ethical business conduct and answerability.

- Establishments with greater social awareness demonstrate an increased level of obligation and capability to attain sincere discourse and engagement with stakeholders,

- Organizations having higher CSR demonstrate a considerate environment (commitment) in the workplace and greater degree of business ethics and

- "Foster employee beliefs about the value of accountability" (p. 140).

A speech delivered by Mr. Fredrick Ma, secretary for financial services, based on Corporate Social Responsibility (2004) organized by the British consulate. Mr. Fredrick examined the notion of CSR as a result of a survey of 1500 business leaders participating in the world economic forum in Bevos. In this, according to 5% leaders, CSR is necessary for the business to be successful, whereas 24% believed CSR is not essential but the shareholder's concern is most essential for the companies. Nonetheless, according to the speaker, CSR and corporate governance complement each other. CSR among corporate is encouraged through Corporate governance. In addition to this, the speaker also discussed the part government plays in CSR, SMEs and for unlisted organizations. They also hold the view that CSR should be included in the firm's objectives.

Nelson, M. C. (2004). The researcher deliberates on corporate leadership in the present world to be considered as responsibility and personal commitment, as alliance and community. Active leadership necessitates a greater integrated approach than before in the aware, responsive society, with the pivotal part played by integrated
leadership answerable to all stakeholders. Integrated leadership entails collaboration on many levels: business, public policy, and philanthropy.

Stovall, Neill, and Perkins (2004) argued against the conventional understanding of the Invisible Hand of Adam Smith, which functions to legitimize the boosting of shareholder profit, and consequently, shareholder-dominant corporate governance. A comprehensive interpretation of the Invisible Hand entails a "sympathy principle," or the capability and inclination of human beings to be considerate towards others' interests. This interpretation may be more associated with the dominant notion of CSR and endorse a wider, manifold stakeholder approach to corporate governance. If sympathy proposes only philanthropy, in addition to this they say that CSR necessitates empathy, an internal-external manner of thought and planning to aid administration ponder on its role in and effect on the community where it functions.

Jackson, I. A. and Nelson, J. (2004) in their books offer a wide-ranging account of the global inclinations, competitive pressures, and fluctuating demands of society which are restructuring the rules for operating a money-making and ethical business. It also provides organizations a structure for understanding the new rules of business by readjusting their business activities in a manner that reinstate trust. They discuss about the crisis of trust, the crisis of discrimination, and the crisis of sustainability. The book offers the following seven doctrines that act as a framework:

(1) Harness innovation for public good.
(2) Put people at the center.
(3) Spread economic opportunity.
(4) Engage in new alliances.
(5) Be performance driven in everything.

(6) Practice superior governance.

(7) Pursue purpose beyond profit.

The seven doctrines can be employed as a compass to assist officials and administrators traverse new terrain and use the approaches and expressions most suitable for each organization. The book concentrates on organizations and businesspersons who are providing both private gains and public good. It outlines actual organizations bringing about quantifiable performance and substantial solutions for stakeholders. They argued that such topics “inform the nature of adaptive capacity and normative prescriptions of policies of adaptation. Specifically, social capital is increasingly understood within economics to have public and private elements, both of which are based on trust, reputation, and reciprocal action” (p. 387). Such dialogue can be made as issues of public welfare and capabilities of companies to bring suitable adaptations to alteration. As a means the trial is made based on economics, CSR (as associated with social capital) needs to come to terms with this reality: “...adaptation processes involve the interdependence of agents through their relationships with each other, with the institutions in which they reside, and with the resource based on which they depend” (p. 388). By this analysis, “social capital is an important determinant of human well-being, along with the traditional factors of production and natural capital” (p. 391). As an influencing factor in decision making both at the level of the organization and society, social capital can be viewed as both connecting through shared meaning and governmental involvement and networking through mutual benefits and demands.