Chapter 2

LITERATURE REVIEW
CSR has been an issue of great research interest and has drawn attention of academicians and researchers from various fields towards it. The concept of CSR in theory and practice falls within the realms of various fields of study like sociology, social work, economics public administration, environmental studies and academics, work and literature in this field has been with varied understanding and interpretations. The diverse and prolific contributions from the various fields has not only enriched but has also led to controversies and confusions. As Votaw and Sethi (1973) put it, “the term (social responsibility) is a brilliant one, its something but not always the same thing, to everybody. To some it means socially responsible behavior in an ethical sense; to still others the meaning transmitted is that of ‘responsible for’ in a casual mode; many simply equate it with ‘charitable contributions’, some take it to mean socially conscious or ‘aware’, many of those who embrace it most fervently see it as a mere synonym for ‘legitimacy’, in the context of ‘belonging’ or being proper or valid, a few see it as a sort of fiduciary duty imposing higher standards of behavior on businessmen at large”.

It has been debated upon heavily in the present times especially since the early 20th century, when with the onset of industrialization, the impact of business activity on society and environment assumed new dimensions. This has happened because large corporations came into existence which had the power and the resources to affect the surrounding considerably. In ancient times commercial activity and philanthropic deeds went hand in hand, examples of which are found in abundance all over the world. Therefore, post-industrialization, discussions about the social responsibility of business evolved into what we recognize as the present day CSR movement.

**Evolution of CSR**

Business and society have co-existed as perfect complements and supplements to each other. They have been the cause of growth and progress for one another and the presence of one facilitates the prosperity of the other. But this closely intertwined existence of business and society has led to the development of a lot of cause and effect – a relationship which has seen cataclysmic changes and undergone a lot of dynamism and evolution over years. There has always been a lot of debate and discussion about
deciding the rules for commercial operation and the role society is expected to play. The legal, administrative and political powers and concerns of the states have constantly endeavored and desired for a smooth relationship between the two. The concept of business ethics and fair business practices are the broad reflections of the association that exists between society and business. Corporate Social Responsibility (CSR), is a consequence of the interplay between ‘rights’ and ‘responsibilities’ that exist between society and a business activity. To understand the evolution of CSR we must understand what the word company means because CSR as a concept means the responsibilities which a corporate or companies have towards societies within which they function or operate. Simply, it is the responsibility of corporate to society. The etymology of the word company lies in two Latin words, *cum* and *panis*, which means “breaking bread together” (Arndt, 2003). Practically, companies identify their stakeholder groups (internal and external) and incorporate their needs and values within the strategic and day-to-day decision-making process (University of Miami, 2007, p. 1). Therefore since the inception of business activity there have been duties and responsibilities which companies have been fulfilling. As early as the 1920s, discussions about the social responsibilities of business had evolved into what could be recognized as the beginning of the “modern” CSR movement.

**Donham B. Wallace, (1929)** the Dean of Harvard Business School, commented within an address delivered at North Western University as follows: Business started long centuries before the dawn of history, but business as we now know it is new – new in its broadening scope, new in its social significance. Business has not learned how to handle these changes, nor does it recognize the magnitude of its responsibilities for the future of civilization (BRASS Centre, 2007).

**Gerde & Wokutch, (1998)** in their article state four critical stages of CSR development and its establishment as an empirically grounded and tested theory. They classify all earlier literature as the history of the concept with negligible empirical testing. Post 1950’s the stages are “gestation and innovation” in the 1960s, “development and expansion” in 1972-1979, “institutionalization” in 1980-1987, and “maturity” in 1988-1996. The basic driving force of research in the gestation and innovation phase was to
“describe the situation and perhaps to develop theories of the dimensions of corporate social responsibility or the specific relationship between business and society and between the firm and its employees”. Post 60’s the literature on CSR focuses on theory testing research with improvisation in methodology.

**Rowley and Berman (2000)** in their study suggest three categorical periods in the history of development, though they do not exactly position these periods on a time line – conceptualization and definition building of the construct; operationalisation of the definition, primarily focusing on the relationship between CSR and financial performance (FP), and therefore building of the concept of CSP. This phase is marked by “contradictory and ambiguous results”; and explanation of the “disappointing” results of the CSP–FP relationship and solutions to direct future study. In spite of this progressive perspective, Rowley and Berman (2000) point at some of the problems surrounding CSP, noting that “CSP research offers an eclectic array of studies that . . . complicates the process of identifying the boundary conditions of the construct” (p. 398). The writers have also charted out a few recommendations for future research by suggesting that it should be “theoretically grounded research . . . within narrowly defined organizational contexts” (p. 415) and attention needs to be paid to understanding the underlying phenomena rather than building associations and causal relationships. They conclude optimistically as they see a gradual, yet difficult, progression in the CSR/CSP literature.

**Carroll (1999) and Mohan (2003).** These writers have expressed the variegated properties in CSR literature. Mohan viewed CSR as an empirical concept which has had various incarnations and therefore varies over time and place. He suggests that the notion of CSR not only relates to other associated concepts but at times it also competes with them. Mohan enumerates a list of CSR related terms which are mentioned later. Similarly, Carroll traces the origin of the present day concept of CSR in the 1950s, leading to definitional activities in the 1960s and a growth and expansion in its acceptability in the 1970s. The era of 1980s saw an emphasis on the empirical research and fewer new definitions came up. Alternative themes and concepts began to mature like corporate social performance (CSP), stakeholder theory and the theory of business
ethics. Through the 1990s, CSR served as the core concept but made way and yielded scope for transformation into “alternative thematic frameworks” (pp. 268)

Jones and Wicks (1999) and Matten et al. (2003) Jones and Wick suggested an overtly normative stance in the literature focused upon social issues of management like Matten et. al view CSR as a foundation stone upon which the modern literature on business and society rests. They remark that, “much of the seminal work was largely normative in nature with the main focus being on the definition of the boundaries of responsibility of business. More recently, certain strains of literature have attempted to address more pragmatic concerns” (pp 110). They have drawn a distinction between CSR and the other theoretical concepts concluding to say that the basic difference between literatures on CSR and other similar areas is the explicit normative feature which the literature on CSR has and therefore it is related to ethical, religious or moral point of view.

Bakker, Frank G.A.; Groenewegen, P. and Hond, F.D. (2005). The writers have made an analysis of the various evolutionary literatures on the concepts of CSR or corporate social performance. They have treated the two concepts as synonymous and have raised questions about the direction which CSR research would take as no consensus about progress has been achieved in the corporate social responsibility/corporate social performance literature. The writers have analyzed the three views on this literature - development occurring from conceptual vagueness, through clarification of central constructs and their relationships, to the testing of theory—a process supported by increased sophistication in research methods, absence of any progress due to the inherently normative character of the literature and finally the progress in the literature on the social responsibilities of business being obscured or even hampered by the continuing introduction of new constructs. The article explores which of these three views better describes the evolution of the literature during a period of 30 years and suggests implications for further research.
Meaning and Dimensions of CSR

Dahlsrud, A. (2008). CSR as a business concept has been variedly defined by various researchers leading to ambiguity and confusion. The writer in this paper has analysed 37 definitions of CSR through content analysis and has developed five dimensions. The dimensions were determined using frequency counts and the results suggest and large degree of compatibility between the various definitions. The ambiguity pertaining CSR is largely in the area of its social understanding than in its definition.

The various definitions which the author considered for analysis are mentioned below:

### DEFINITIONS OF CSR

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Source of the Definition</th>
<th>Definition</th>
<th>Facets</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Commission of the European Communities (2001)</td>
<td>A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.</td>
<td>Voluntariness, Stakeholder, Social, Environmental, Economic</td>
</tr>
<tr>
<td>2</td>
<td>World Business Council for Sustainable Development (1999)</td>
<td>The commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life.</td>
<td>Stakeholder, Social, Economic</td>
</tr>
<tr>
<td>3</td>
<td>World Business Council for Sustainable Development (2000)</td>
<td>Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large.</td>
<td>Voluntariness, Stakeholder, Social, Economic</td>
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<tr>
<td>4</td>
<td>Commission of European Communities (2001)</td>
<td>Corporate social responsibility is essentially a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment.</td>
<td>Voluntariness, Social, Environmental</td>
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<tr>
<td></td>
<td>Title</td>
<td>Description</td>
<td>Author(s)</td>
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<tr>
<td>5</td>
<td>Business for Social Responsibility (2000)</td>
<td>Business decision making linked to ethical values, compliance with legal requirements and respect for people, communities and the environment.</td>
<td>Voluntariness Stakeholder Social Environmental Economic</td>
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<tr>
<td>6</td>
<td>Business for Social Responsibility (2000)</td>
<td>Operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business. Social responsibility is a guiding principle for every decision made and in every area of a business.</td>
<td>Voluntariness Stakeholder Economic</td>
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<td>7</td>
<td>IBLF,(2003)</td>
<td>Open and transparent business practices based on ethical values and respect for employees, communities and the environment, which will contribute to sustainable business success.</td>
<td>Voluntariness Stakeholder Social Environmental Economic</td>
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<tr>
<td>8</td>
<td>Khoury et al., 1999</td>
<td>Elements of social responsibility include investment in community outreach, employee relations, creation and maintenance of employment, environmental stewardship and financial performance.</td>
<td>Stakeholder Social Environmental Economic</td>
</tr>
<tr>
<td>9</td>
<td>Business for Social Responsibility (2003)</td>
<td>Corporate social responsibility is achieving commercial success in ways that honour ethical values and respect people, communities and the natural environment.</td>
<td>Voluntariness Stakeholder Social Environmental Economic</td>
</tr>
<tr>
<td>10</td>
<td>Commission of the European Communities (2003)</td>
<td>European accountable for its impact on all relevant Communities, 2003 stakeholders. It is the continuing commitment by business to behave fairly and responsibly and contribute to economic development while improving the quality of life of the work force and their families as well as of the local community and society at large.</td>
<td>Voluntariness Stakeholder Social Economic</td>
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<tr>
<td></td>
<td>Source</td>
<td>Definition</td>
<td>Voluntariness</td>
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<td>11</td>
<td>CSRwire, 2003</td>
<td>CSR is defined as the integration of business operations and values, whereby the interests of all stakeholders including investors, customers, employees and the environment are reflected in the company’s policies and actions.</td>
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<tr>
<td>12</td>
<td>Hopkins (1998)</td>
<td>Corporate social responsibility is concerned with treating the stakeholders of the firm ethically or in a socially responsible manner. Stakeholders exist both within a firm and outside. Consequently, behaving socially responsibly will increase the human development of stakeholders both within and outside the corporation.</td>
<td>Voluntariness</td>
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<tr>
<td>13</td>
<td>Ethics in Action Awards (2003)</td>
<td>CSR is a term describing a company’s obligation to be accountable to all of its stakeholders in all its operations and activities. Socially responsible companies consider the full scope of their impact on communities and the environment when making decisions, balancing the needs of stakeholders with their need to make a profit.</td>
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<tr>
<td>14</td>
<td>Jones, 1980</td>
<td>CSR is defined as the notion that corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law or union contract, indicating that a stake may go beyond mere ownership.</td>
<td>Voluntariness</td>
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<td>15</td>
<td>Hopkins, 2003</td>
<td>CSR is concerned with treating the stakeholders of the firm ethically or in a responsible manner. ‘Ethically or responsible’ means treating stakeholders in a manner deemed acceptable in civilized societies. Social includes economic responsibility. Stakeholders exist both within a firm and outside. The wider aim</td>
<td>Voluntariness</td>
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of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation.

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<thead>
<tr>
<th>Reference</th>
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<th>Description</th>
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<tbody>
<tr>
<td>Marsden, 2001</td>
<td>16</td>
<td>Corporate social responsibility (CSR) is about the core behaviour of companies and the responsibility for their total impact on the societies in which they operate. CSR is not an optional add-on nor is it an act of philanthropy. A socially responsible corporation is one that runs a profitable business that takes account of all the positive and negative environmental, social and economic effects it has on society.</td>
</tr>
<tr>
<td>McWilliams and Siegel, 2001</td>
<td>17</td>
<td>Actions that appear to further some social good, beyond the interests of the firm and that which is required by law.</td>
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<tr>
<td>Ethical Performance, 2003</td>
<td>18</td>
<td>At its best, CSR is defined as the responsibility of a company for the totality of its impact, with a need to embed society’s values into its core operations as well as into its treatment of its social and physical environment. Responsibility is accepted as encompassing a spectrum – from the running of a profitable business to the health and safety of staff and the impact on the societies in which a company operates.</td>
</tr>
<tr>
<td>Global Corporate Social Responsibility Policies Project, 2003</td>
<td>19</td>
<td>Global corporate social responsibility can be Social Responsibility defined as business practices based on ethical values and respect for workers, communities and the environment.</td>
</tr>
<tr>
<td>Commission of the European Communities</td>
<td>20</td>
<td>Corporate social responsibility is about companies having responsibilities and taking actions beyond their legal</td>
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| | | Voluntariness |
| | | Social |
| | | Economic |

| | | Economic |
| | | Social |
| | | Environmental |

| | | Stakeholder |

| | | Social |
| | | Environmental |
| | | Economic |
| | | Voluntariness |

| | | Stakeholder |

| | | Environmental |

| | | Economic |

| | | Social |

<p>| | | Environmental |</p>
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<tr>
<th>Year</th>
<th>Author(s)</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>2002</td>
<td>obligations and economic/business aims. These wider responsibilities cover a range of areas but are frequently summed up as social and environmental – where social means society broadly defined, rather than simply social policy issues. This can be summed up as the triple bottom line approach: i.e. economic, social and environmental.</td>
<td>Voluntariness</td>
</tr>
<tr>
<td>21</td>
<td>Pinney, 2001</td>
<td>Corporate social responsibility (CSR) or corporate citizenship can most simply be defined as a set of management practices that ensure the company minimizes the negative impacts of its operations on society while maximizing its positive impacts.</td>
</tr>
<tr>
<td>22</td>
<td>IndianNGOs.com, 2003</td>
<td>Corporate social responsibility is a business process wherein the institution and the individuals within are sensitive and careful about the direct and indirect effect of their work on internal and external communities, nature and the outside world.</td>
</tr>
<tr>
<td>23</td>
<td>Business for Social Responsibility, 2003a</td>
<td>Socially responsible business practices strengthen corporate accountability, respecting ethical values and in the interests of all stakeholders. Responsible business practices respect and preserve the natural environment. Helping to improve the quality and opportunities of life, they empower people and invest in communities where a business operates.</td>
</tr>
<tr>
<td>24</td>
<td>Kilcullen and Kooistra, 1999</td>
<td>CSR is the degree of moral obligation that may be ascribed to corporations beyond simple obedience to the laws of the state.</td>
</tr>
<tr>
<td>25</td>
<td>Piacentini et al., 2000</td>
<td>CSR is the voluntary assumption by companies of responsibilities beyond purely economic and legal responsibilities.</td>
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<tr>
<td></td>
<td>UK Government, 2001</td>
<td>Corporate social responsibility recognizes that the private sector’s wider commercial interests require it to manage its impact on society and the environment in the widest sense. This requires it to establish an appropriate dialogue or partnership with relevant stakeholders, be they employees, customers, investors, suppliers or communities. CSR goes beyond legal obligations, involving voluntary, private sector-led engagement, which reflects the priorities and characteristics of each business, as well as sectoral and local factors.</td>
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<tr>
<td>27</td>
<td>Woodward-Clyde, 1999</td>
<td>CSR has been defined as a ‘contract’ between society and business wherein a community grants a company a license to operate and in return the matter meets certain obligations and behaves in an acceptable manner.</td>
</tr>
<tr>
<td>28</td>
<td>Reder, 1994</td>
<td>An all encompassing notion, [corporate] social responsibility refers to both the way a company conducts its internal operations, including the way it treats its work force, and its impact on the world around it.</td>
</tr>
<tr>
<td>29</td>
<td>Lea, 2002</td>
<td>CSR can be roughly defined as the integration of social and environmental concerns in business operations, including dealings with stakeholders.</td>
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<tr>
<td>30</td>
<td>Lea, 2002</td>
<td>CSR is about businesses and other organizations going beyond the legal obligations to manage the impact they have on the environment and society. In particular, this could include how organizations interact with their employees, suppliers, customers and the communities in which they operate, as well as the extent they attempt to protect the environment.</td>
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<tr>
<td>No.</td>
<td>Author, Year</td>
<td>Definition</td>
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<tr>
<td>31</td>
<td>Foran, 2001</td>
<td>CSR can be defined as the set of practices and behaviours that firms adopt towards their labour force, towards the environment in which their operations are embedded, towards authority and towards civil society.</td>
</tr>
<tr>
<td>32</td>
<td>Andersen, 2003</td>
<td>We define corporate social responsibility broadly to be about extending the immediate interest from oneself to include one’s fellow citizens and the society one is living in and is a part of today, acting with respect for the future generation and nature.</td>
</tr>
<tr>
<td>33</td>
<td>Frederick et al., 1992</td>
<td>Corporate social responsibility can be defined as a principle stating that corporations should be accountable for the effects of any of their actions on their community and environment.</td>
</tr>
<tr>
<td>34</td>
<td>Van Marrewijk, 2003</td>
<td>In general, corporate sustainability and CSR refer to company activities – voluntary by definition – demonstrating the inclusion of social and environmental concerns in business operations and in interactions with stakeholders.</td>
</tr>
<tr>
<td>35</td>
<td>Van Marrewijk, 2001</td>
<td>Companies with a CSR strategy integrate social and environmental concerns in their business operations and in their interactions with their stakeholders and demonstrate openly their triple P performances.</td>
</tr>
<tr>
<td>36</td>
<td>Jackson and Hawker, 2001</td>
<td>Corporate social responsibility is how you treat your employees and all your stakeholders and the environment.</td>
</tr>
<tr>
<td>37</td>
<td>Strategis, 2003</td>
<td>CSR is generally seen as the business contribution to sustainable development, which has been defined as development</td>
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</tbody>
</table>
that meets the needs of the present without compromising the ability of future
generations to meet their own needs, and is
generally understood as focusing on how to
achieve the integration of economic,
environmental and social imperatives.

Table 1 Dahlsrud, A. (2008). *Definitions of Corporate Social Responsibility (CSR)*

**Similar Concepts:**

*Mohan (2003)* in his study has attempted to list out the various concepts pertaining to
CSR and how over a period of time the concept has evolved. As most researchers
working in the field of CSR evolution have suggested, Mohan too has traced the
concept from 1950’s till 2002. What he fails to explicitly bring out is the geographical
development of the concept and how it has over a period of time enveloped the globe
making it into an integrated universal business phenomenon. The concepts he has listed
out are, starting from the latest to the earliest, Corporate Citizenship, Triple Bottom Line, Sustainable Development, Corporate Social Rectitude, Corporate Social Performance (CSP), Stakeholder Model, Corporate Social Responsiveness, Corporate Social Responsibility (CSR), Business Social Responsibility / Social Responsibility of Businessman, Business Ethics / Business Philanthropy, Charity (pp74)

**CSR and Corporate Citizenship:**

*Waddock, S. (2007)* has discussed the concept of corporate citizenship (CC) and its
evolution. She has traced the history since 1950s when the term first begun to be used in
Europe till the 1990s when CC begun to be accepted in its current form not only in
Europe but also internationally. Waddock in her explanation of the concept has
explicitly mentions that CC is often known as CSR also though there is a difference
between the two. The former is concerned with the strategies and operating practices of
a company and its impact on the stakeholders, the natural environment, and the societies
where the business operates. While CSR is about the discretionary efforts of a company
to improve society in some way, it is also directly linked to the company's business
model which makes it essential to pay attention to the impact on stakeholders, nature,
and society. Therefore, suggesting that CSR is a subset of CC wherein CC lays focus upon the integral responsibilities attendant to a company's strategies and practices.

**Altman and Vidaver-Cohen (2000)** The writers focus in their study the reasons for the growing importance of the concept of CC and indicate that in spite of a historical presence of the CC it is primarily due to the impact of the forces of the global environment of the late 20th century that corporations have begun to think of the local community and starting and building of the business activity from that level. Emphasis is laid upon finding new approaches for solving the common problem and find ways to minimizing the negative impact of corporate operations. Most corporations of the present times have recognized the strategic and positive link between business activity and CC which has encouraged, promoted and institutionalized the CC practice across a broad spectrum of firms, industries and nations.

**Marden, C. (2000)** He emphasizes the fact of CC extending beyond the present theoretical extent of CSR in all its facets – principles, processes and performances. He exemplifies this through a model illustrating the activities of the companies which have achieved excellence in the area of CC. The states the CC is ideally suited as a concept for the 21st century which is focused upon the ‘triple bottom line’ approach where corporate activities and its performance objectives are intricately blended with the engagement of society therefore making CC an action oriented concept of the present century.

**Post, J. (2000).** Enforces upon the concept and its relevance in the present global business climate where challenges are very different from that in the 20th century. He exemplifies the idea by linking CC with industry uniqueness and offers a practice tool to managers which address international issues but is equally applicable at the local level as well. A futuristically looking article, as he states that with e-commerce becoming a business reality in the present times, challenges for business especially pertaining to ideas like CSR and CC would change drastically throwing up new challenges. He also looks at the CC as an extension of CSR but suggests an integration of the two to cope up the business environment of the virtual world.
Matten et al. (2003). While discussing the concept of CC and CSR, they suggest that CC is at times understood as a successor of CSR. They comment that “there seems to be nothing in the CC literature which is significantly different from the traditional CSR stance, except that it lacks any explicit normative aspect” (pp. 113). The writers indicate a blurred distinction between the two concepts theoretically and therefore lead to conclude that they may be understood as mutually exchangeable.

CSR and Corporate Philanthropy (CP)

Muller, A and Whiteman, G. (2009). The article brings to light the fact that corporate have responded to disasters through corporate philanthropy (CP) and have raised it to a new level. The writers emphasize that CP remains an understudied phenomenon. The study analyzes donation announcements made by Fortune Global 500 firms from North America, Europe and Asia to look for regional patterns across three recent disasters: the South Asian Tsunami, Hurricane Katrina, and the Kashmiri earthquake. This article draws on comparative research on corporate social responsibility (CSR) and corporate philanthropy to explore the geography of corporate philanthropic disaster response. The results reveal inter-regional differences in the overall likelihood of donations and in their cash value, in addition to the identification of home-region- and local presence effects. Implications for researchers and practitioners are discussed.

Dustin, K. S. (2008). The issues related to the idea of corporate philanthropy (CP) are discussed in light of the prevailing economic crisis which the writers see are growing in 2009. He discusses and explains that small and mid-size companies (SMEs) tackle CP by aligning themselves to non-profit organizations which satisfy a common goal of both the corporate and the NGO. Since the economic crisis is growing and several companies especially SMEs may not be able to take up CSR activities and yet they need the support from the communities, CP has a bright future. Further, CP has a universal appeal making it prevalent across the globe especially if the present economic crisis prevails and lasts long.

Scheinfeld, A. (2001). The concept of CP is discussed in light with the prevailing problems of the present day – issues related to poverty like slum dwelling and hard core
unemployment. The writer emphasizes that the CP has failed to meet the socio-economic challenges and he details the reasons for the failure of the same. According to him the efforts put in by the business community has been ineffective because several givers have allotted precedence to their personal inclinations than to the need of the society, lack of interest or knowledge of the governmental schemes and policies aimed at social welfare and providing input in terms of suggestions and strategies to improve them and the inability of businessmen to see opportunities of entrepreneurial in the alleviation of poverty and slums. He proposes to re-define and alter the understanding of CP such that there is better ‘direct social action’ leading to betterment of lives of the largely affected population. He proposes this through social investment where the participating businessmen must contribute a part of their pre-tax profits and this fund be professionally managed by a board of trustees.

Waddock, S. (2007). The writer has defined CP and the various manifestations it has. She goes to give details about the funds collected in the form of CP in the United States of America. The various reasons for which a firm engages in CP are discussed, the prime being improving their relationships with important stakeholders such as employees and customers and therefore improving the reputation of the company due to which CP serves as a tool for public relations and enhanced corporate image. Altruism and business driven by normative or ethics-based rationale is another reason for CP whereas ‘enlightened self-interest’ is also another reason for the same. Strategic philanthropy also characterizes business activity and in such a case there is an alignment between the goals of the giver and the receiver leading to a situation of gains at both the ends. CP therefore is considered as a sub-set of CSR and one of the means through which social responsibility can be executed by the business and corporate houses.

**CSR and Corporate Governance (CG)**

Berghe, L.V. D. and Louche, C. (2005) The article explores the idea of CSR and CG and the writers bring forth the view that CSR is not another ‘passionate expression of faith’ in a business practice but is becoming a necessity now because of the pressure from various agencies and therefore a ‘‘responsible firm’’ is not the one who abides by
the law of the land and works towards financial profits only, but the one which has a focus on the growing role of business in society and therefore gives emphasis and lays due importance to corporate governance.

Berge and Louche suggest that CSR and CG have a common orientation to give direction to the company and business towards society and to be able to translate this into corporate strategy. The clear cut link between CSR and CG is that CSR and socially responsible investment improves and promotes stakeholder dialogue and good CG on the other hand generates and enables socially responsible investment and CSR. They believe that for CSR to be managed efficiently and effectively there needs to be a change in the traditional understanding of CG as merely focusing upon the shareholders as well as a change in the traditional management principles and accounting tools also need to be re-looked.

Beltratti, A. (2005) CSR and CG are two accepted mechanisms which a company uses to regulate its operations and CG basically refers to the mechanisms which a company adopts for protection from outsiders to ensure smooth working of the company and CSR is concerned more with the objective function of the company and its concern for the various stakeholders. Therefore the two terms are intrinsically related and the paper lays focus upon CSR in relation to profit maximization. Empirical evidence suggests that both the CSR and CG share a positive relation with the market value of the firm indicating that in the long run companies which are better at maximizing the returns from a broadly defined bottom line – triple bottom line are supported with better resources for the business.

**CSR and Sustainability**

Wheeler, D.; Colbert, B. & Freeman, E. (2003). The researchers have juxtaposed and put the traditional markets dominated by the conventional mindset held investor and stakeholder rights in an adverse manner as against the rising importance of relationships and community operations grounded in value-based markets of the present economic systems. Though the backbone of contemporary market driven economies is value creation but value is itself defined variedly by different agencies. In spite of the
variance in defining and understanding the idea of value-based networks, a commonly understood phenomenon in the concept of value creation is the convergence of interests of firms and stakeholders and society. A key influencing factor in the value-based global economy has been the progress made in the field of communication technology. There is faster spread of information leading to a more aware lot of stakeholders especially in the more sensitive fields like energy, mining, forestry, oil and gas where stakeholder impact of higher. The authors further the argument by classifying the different kinds of organizational cultures as per their approach to value-creation implying that CSR (from which stakeholder value-creation is carved) and sustainability (creates the organizational culture) need to be completely in sync and reconciled because the practical implications of one over the other affect the creation of value.

**Ebner, D. and Baumgartner, R. J. (2006).** The researchers have made extensive literature study on the theme in sustainability and all the associated concepts which have arisen through a period of time and make a deep impact in the areas of business management and economic science. Through literature study the concepts of sustainable development (SD), Corporate Social Responsibility (CSR) and their relationship is explored. The various facets of SD are laid bare and the core definition of SD given by Brundtland has a social dimension which coincides with CSR and the concept of triple-bottom-line used in CSR activities. Similarly some literature also indicates that CSR is the representative of SD at a corporate level therefore while SD is a larger concept, CSR is the execution of the same at a firm level. About 38% of the articles reviewed suggest that CSR and SD are synonymous and are used as substitute terms and several scientific research studies are based on this premise. This relationship between CSR and SD being used as synonymous is very prevalent because over years concern for environment is also a part of the CSR programme of several organizations.

**Drivers of CSR**

The various literature available in the field suggests that the there are external and internal drivers to CSR. Governmental policies and the context of business operations in terms of the industry norms, pressure from the industry bigwigs, national culture are important external drivers to CSR while better brand building and risk management,
attracting and retaining better human resources and innovation in markets and product
development are important internal drivers for CSR.

Swanson (1995) suggested that there were three main types of motivation for CSR:

i. The utilitarian perspective (an instrument to help achieve performance
objectives);

ii. The negative duty approach (compulsion to adopt socially responsible
initiatives to appease stakeholders); and

iii. The positive duty view (businesses self-motivated regardless of social
pressures) (Swanson in Maignan & Ralston 2002).

Vytautas J, and Vytautas S. (2009). The researchers have analysed the role of CSR on
the competitive advantage an organization holds. The assessment of the advantage on
the academic grounds is based on the traditional models – model of five forces, resource
based approach and model of network approach wherein each has its unique advantages
and disadvantage as the emphasis on different and so are the importance of the
advantages. For marketing purposes the customer is the key focus and so the interests of
this group of stakeholder are essential for smooth and strategic business operations.
This leads corporations to ensure that there is no conflict between business and society.

Support and a positive attitude from society can be garnered only by companies which
stand for ethical practices and generally acceptable social behavior. Further,
organizations are expected to execute their duty and work towards getting a solution to
social and ecological issues of concern. This helps organizations get a competitive edge
over others. The mission, vision value system and the organizational culture is a candid
reflection of the attitude of the organization towards CSR. In the contemporary stage of
social development, the customers a primal stakeholder, who is equipped with the
technologically advanced aids to make prudent decisions by comparing the pros and
cons of the different facets of various services and products. The customers hold a
favourable opinion about products and organizations which are sensitive towards social
and environmental issues due to which organizations are therefore trying to ensure that they extend support, offer partnerships, consolidate actions and stand for such causes.

**External Drivers**

*Albareda, Laura; Lozano, Joseph M.; Tencati, Antonio; Midttun, Atle; Perrini, Francesco.* (2008) In their article, the writers have tried to bring out the role of the government in promoting business to adopt CSR as a part of its values and strategies. The governmental agencies draft an appropriate vision, value and strategies infused through new strategies and the association of various stakeholders along with governments over the last decade has lead to the governmental agencies reflecting a pro-active approach and assuming the role of a key driver of CSR. Further, there have been inter-governmental organizations which have led to drafting favorable public policies which would further encourage a keener sense of CSR.

They have attempted at comparing the CSR initiatives and public policies of Italy, Norway and United Kingdom to study the governmental support and response to CSR. The common thread running through all the three governmental agencies indicate that promotion of public private partnership is critical for an effective and a successful working of CSR but at the same time the researchers have also focused upon the differences in the public policy of the three governments which is primarily due to variance in the prevalent culture, political framework, organizational structures and the and the business and social background of the respective country.

*Fox, T. (2004).* The writer argues that the understanding of CSR is highly driven by the north world which has as its focus for CSR the large organizations and therefore targets its understanding keeping large and often multinational companies. The northern and economically developed world holds the view that CSR is primarily a voluntary dogma. The situation of the southern world is widely different and there development is the key objective. Therefore to attain a truly development-oriented approach there is a distinct need to create a conducive environment such that the responsible business activity thrives in the south bringing to the forefront the economic and equity facets of development leading to a sustainable development. The writer does pose a few
questions about the relevance of voluntary CSR in the southern countries and mentions the impact of a failure to achieve true development.

**Antal, A. and Sobczak, A. (2007).** The writers focus upon CSR in France and elaborate to write about the reasons and the factors which drive and govern the discourse and practice of CSR and general and which of the discussed reasons are applicable to France as a nation specifically. The CSR development of any nation has been categorized put into two mutually dependent and affecting factors – endogenous and exogenous. The cultural, socio-economic and legal factors hold an impact upon the way in which ideas are generated, the sort of questions considered consequential and the kind of solutions which are conceived as desirable and possible. The article also finds intra-country, social and economic factors as the basis of the evolution of CSR expectations and practices along with global impact of factors as international academic discourse, international practices of multinational companies, non-governmental organizations (NGOs) and trade unions, and initiatives of supranational organizations. The article ends with a detailed understanding of the impact of language, culture, history and religion of France which is uniquely different from the Anglo-Saxon understanding of CSR.

**Internal Drivers**

**Better brand building and Risk Management**

**Lougee, B; Wallace, J. (2008).** The authors explored the concept of CSR in relation to investment and image building on customers covering a broad arena of risk management and brand building and empirically tested the association between CSR and other associated business activities. They used the social responsibility metric (a measure that assesses the net strengths and weaknesses of CSR) of the S&P 500 and Domini 400 companies. The results suggest that companies whose CSR strengths outnumber the weakness gave higher return on assets (ROA) over a period of 15 years. A circular causality was found indicating a possibility of a higher likelihood of profitable companies investing in CSR initiatives to begin with and finding their performance improved further by CSR investment. They further found that companies invest heavily on CSR strengths than on eliminating the weaknesses therefore
concluding that companies strategy falls in line with using CSR as a form of ‘risk management’ tool that encourages and works upon the strengths of the companies so as to mitigate the potential negative effects.

**Rowe, M. (2006).** The research article is a theoretical analysis of the various motivators of CSR and the writer has discussed 3 critical reasons, risk, relationships and reputation “the three R’s” for the business entities to promote CSR in their organizations. The elaboration of the element of risk suggests that as the interconnectivity of business is rising and there is a rise in the number of transnational and multinational companies the risk element also increases. The risks include managing relationships with both the internal and external stakeholders and the manner and management of these relationships have a direct impact on the reputation of the company. Therefore the outcome of the risk management – positive or negative holds a direct association of the company finding itself into upward or downward spiral.

**Story, D. & Price, T. J. (2006).** The researchers have made a study on the businesses operating in the United Kingdom basing it upon a survey conducted and the case studies upon these businesses. The premise of the paper is use of strategic tools made by organizations to carve out new business opportunities, curtail and reduce threats to its operational and prospective development plans along with actively managing its reputational risk. The researchers have equated this premise to the approach of integrated organizational risk management which has also been understood as corporate governance which like the integrated risk management approach also aims at implementation of established management standards. Corporate Social Responsibility (CSR) is one such recognized management standard which serves as an ‘influential index’ of an organization’s attempt to safety, environment and other areas of business operation. The findings of the study showed most organizations employed CSR as a ‘recognised management standard’ and it has impacted their decision making process leading to companies focusing upon stakeholder concerns as well while making critical decisions.
Attracting and Retaining Better Human Resources

Demuijnck, G. (2009). The author has argued that one of the ways in which organizations work upon their CSR policies directed towards employees as a stakeholder is by ensuring that there is indiscriminate work environment in the organization. It is a moral obligation and therefore the companies must accept their moral responsibility towards non-discrimination. The aspect of CSR comes into play because the author suggests that non-discrimination should be treated a full fledged programme wherein the organization should be able to cope up with and address ‘microsocial’ aspects of discrimination through targeted policies. The ethical and legislative tools are well known methods of handling non-discrimination which also occupy the purview of CSR. Aiming at implementing the best set of practices aligns CSR and HR functions and that ethical committee and leadership is the starting point but not limited to effective human resource policies. The author has substantiated this with a case study of a France based retailer who in spite of ethical processes in place failed to provide remedies to non-discrimination and decided to re-draft policies because of his faith and belief in the ethical orientation which a company must possess.

Hallin, A. & Gustavsson, T. K. (2009). The research article suggests that CSR and HRM practice have merged into one and the present day manager finds it hard to distinguish between his ‘private’ and ‘public’ roles. A middle manager has to tackle with the complexities of the mixing up of CSR and HR issues and therefore often mere crafting of policies is not enough to tackle the question and therefore a clear understanding of both CSR and HR as separate theoretical fields is very important.

Vuontisjärvi, T. (2006). This paper explores by means of content analysis the extent to which the Finnish biggest companies have adapted socially responsible reporting practices. The research focuses on Human Resource (HR) reporting and covers corporate annual reports. The criteria has been set on the basis of the analysis of the documents published at the European level in the context of corporate social responsibility (CSR), paying special attention to the European Council appeal on CSR in March 2000. As CSR is a relatively new concept in Finland, the paper also contributes
to the discussion on interface between HR reporting (especially as based on measurements such as Human Resource Accounting and Intellectual Capital schools) and corporate social reporting practices. The results of the content analysis indicate that social reporting practices are still at an early stage of development in Finland. The most reported theme was ‘training and staff development’. A positive sign was that the majority also disclosed themes ‘participation and staff involvement’ and ‘employee health and well-being’. Furthermore, nearly one-third made references to their work atmosphere or job satisfaction survey. However, disclosures lacked overall consistency and comparability with each other and especially quantitative indicators were disclosed by few. Further concern was lack of information related to the theme equal opportunities and going beyond a sheer disclosure of age or gender structure. The other issues rarely disclosed were those related to employee work–life balance and integration of disadvantaged groups in the labour markets.

Lutz, P; Axel, H and Dirk, M. (2009). The paper focuses upon the HR related issues – human resource management and employee representation and its implications in Europe. Its deals with the concern that the conspicuous difference between CSR understanding of Europe and the Anglo-American background which largely differs is getting diluted and the Anglo-American model is taking larger hold. The Anglo-American model supports employee benefits largely through CSR. While the European sensitivity towards human resource is more through intra-organizational support but this is fading due to the convergence of the various economic forces. It is a matter of struggle for both the HR managers and the employee representatives to work on a strategy to cope up with the contemporary economic scenario. The writer calls it process of ‘adaptation’. They conclude to suggest that in the highly competitive market, most organizations are gaining the ‘first-mover advantage’ wherein the companies following the Anglo-American model often act more efficiently and therefore are holding a greater sway. They also suggest that both human resource management and employee representative need to gain legitimacy within the organization and only then the employees begin to play an active role in the CSR execution of the organization and hold faith in it.
Ona, M and Juozas, R. (2008). The paper deals with the premise and understanding that CSR is gaining importance in the present times and is an activity which all organizations will undertake but the environment in which the present business is operating is highly complex. It further goes on to elaborate upon the three broad categories in which stakeholders can be categorized and the employees form the core integral group through whom organizations will be able to achieve the implementation of ethical corporate behavior and therefore the success and failure of the CSR objectives will largely depend upon the employees willingness to collaborate and support the CSR activities of the organizations. The writers therefore build a case for the organizations to understand the needs of the first group and ensure that the management of employees should be done to attain competitive advantage through a strategic deployment of the workforce. The deployment can be best achieved through a combination of cultural, structural and personnel techniques. The writers validated the concept of total quality management including human resource as a critical asset amongst the Lithuanian employees through the survey method. They went on to understand the role of CSR in enhancing the motivation, employee morale and commitment such that they are able to recommend exact HR practices which would lead to innovation and flexible employees who are committed to the cause of the organization including making the CSR activities of the organization a success. This in turn would lead to attracting better and more committed employees.

Brammer, S., Millington, A and Rayton, B. (2007). A model based upon social identity theory is created which investigates the relationship between organizational commitment and employee perceptions of CSR. The focus of the authors was upon understanding the impact of social behavior on the organizational commitment vis-à-vis employee’s perception of socially responsible behavior in the community, procedural justice in the organization and the provision of employee training. The results were drawn from the analysis of over 4000 employees from the financial services. A distinctly positive relationship is established between organizational commitment and the company’s contribution to CSR. Job satisfaction enhanced with higher involvement into CSR activities. They also suggested a gender variation wherein the female
employees showed higher level of impact between organizational commitment and their perceptions of the company’s involvement into CSR.

Albinger, H. and Freeman, S. (2000). The study is focused upon investigating the hypothesis that while CSR acts as a positive factor in drawing human resources, is influenced by the choice of jobs of the potential job-seekers. The analysis and results suggest that corporate social performance has a directly proportionate relationship with the level of attractiveness it holds for job aspirations with high level of ‘job choice’ suggesting that higher the corporate social performance better the ability of an organization to attract highly qualified employees. On the contrary a high level of corporate social performance does not impact the job seeking population with low levels of career choices. This indicates that CSR acts as an advantage point for organizations which seeks specialized and very qualified workforce.

Innovation in Markets and Better Product Development

Vilanova, M.; Lozano, J. Arenas, D. (2009). At relatively recent study exploring the relationship between CSR and competitiveness and conceptualizing the idea of knitting the various parameters of competitiveness and holding their foundation in learning and innovation cycle of an organization. The market is the key force defining competitiveness and therefore the researchers have detailed into understanding the ‘critical competitive factors’ which are a product of the manner in which organizations and financial analysts describe and evaluate a firm. The first such factor is understood by analyzing the ‘current state of the art’ followed by the CSR criteria employed by the financial analysts against valuation methods used by the company. Thirdly, the conclusions of a ‘multi-stakeholder dialogue’ on CSR and competitiveness of the financial sector of Europe are presented. A composite result of these varies factors suggest that CSR and competitiveness are integrated through a learning and innovation cycle due to which the values, practices and policies of an organizations are permanently defined and constantly evolving. Therefore the proposed concept relies upon CSR being the foundation of business processes and as it gets absorbed, it results in innovative business practices which enhance competitiveness. The researchers
conclude that CSR in business operation comprises of handling divergent and opposing forces due to the tensions arising between CSR and the business policies and strategies.

Zwetsloot, G. I. (2003). The three key partners in the 21st century business operation – People, Planet and Profit are understood to be intensely positively impacted by the innovative business practices all of which stem from CSR. The writer has made a comparative analysis of basic business principles held in the 21st century and the end of 20th century – the 1990’s. The three key parameters of analysis which relate to both CSR and management systems are a progression of ‘doing things’ beginning from ‘doing things right the first time’; improvised by ‘doing the right things’ and finally ‘continuous improvement and innovation. The writer argues that the management principle focuses on the first stage while CSR lays emphasis on the second stage. Though corporate which lay emphasis on ‘doing the right thing the first time’, have their foundations in ‘doing the right things’, suggesting that the management principles are important for CSR but they are a limited use of developing social responsibility. The writer emphasis that the present level of insistence upon CSR should be pushed further beyond the limited boundaries of the first two type of management systems to the final level of continuous improvement and innovation which is possible for organizations which lay a great deal of faith on CSR and therefore insist on relying upon the ‘Business Excellence Model’. To achieve and persist upon adherence to Business Excellence Model, efforts need to be put in both at the individual level (employees of the organization) as well as at the organizational level (policy making level). The author concludes to suggest that the organizations which lay trust upon CSR should and will be able to make continuous learning and innovation.

Atle, M. (2007). A conceptual paper where the author has worked upon the commonly assumed positive interface between CSR and innovation and has questioned the supposition that all CSR activities support innovation and vice-versa, a premise which is the basis of several EU communication. With the objective of aligning and understanding the CSR and innovation better a dynamic change in the orientation towards CSR is needed which the author has done after analyzing the fundamental types of CSR – workplace, market-place, environment and innovation – open innovation,
society-driven innovation, stakeholder-driven innovation and customer-driven innovation to suggest that not all forms of CSR and innovation mutually support each other though synergy does exist between the two. Alte, further elaborates to distinguish between complementary static and dynamic views of CSR and innovation and conclusively suggesting that large part of innovation literature is dynamic in its nature while CSR literature is dominated by traditionally static interpretations. The article rests the debate with the suggestion that though there are limitations yet CSR literature needs to be understood in a more dynamic manner which will need the involvement of the policy-makers at a national level.

**History and reasons for the need of CSR in India**

**Gautam, R. and Singh, A. (2010).** The article brings out the varied understanding and definitions of CSR which prevail in India and how CSR has developed in India. The key issue dealt by the researchers, through an exploratory study, is the various CSR related practices which flourish in India and a sample of top 500 Indian companies were analysed to identify their practices and draw a picture of the prevalence of CSR related activities in India. Further the Indian CSR practices are mapped against the Global Reporting Initiatives (GRI) standards – internationally accepted CSR reporting guidelines. Content analysis technique was employed to analyse the data to find that CSR activities in India are a disjointed corporate affair but forms an integral part of the business strategy because stakeholder considers high as it can have an impact on the core business activity affecting its turnover and profit. Therefore a concurrence between CSR and business is apparent though such relevance to CSR is paid by a small number of companies who have a systematic and structured approach to implementing and communicating CSR. Most companies are still making ‘token gestures’ to CSR which often is a by-product of the philanthropic activities of the companies. The umbrella of CSR related activities is very diverse since different companies define CSR differently to suit their organization type and CSR activity sphere.

**Narwal, M. & Sharma, T. (2008).** The foundation of the paper is based on the understanding that post liberalization, the corporate sector has had an immensely deep impact on the Indian society which is itself in a state of speedy transformation. In this background the researchers have tried to empirically testify the perceptions of the
Indian society about Corporate Social Responsibility (CSR) by gathering data from northern India through a structured questionnaire and analysed through factor analysis. The results reflected that in a market driven economy, there is a mixed opinion about corporations engaging in socially responsible activities. They are perceived both as positive as well as elements of doubt over their intentions exist. The expectations from the corporations are that they should be ethical reflecting responsible behavior. The cause for skepticism may be because there is an existence of a disjointed relationship between the society and business which needs to be got closer and integrated further. The responsibility to build confidence on business activity lies on the corporations and through understanding the sentiments of the society at large and stakeholders specifically the corporate should be able to align their social responsibilities in a more suitably and rewarding manner.

**Jamali, D. & Mirshak R. (2007).** The writers have focused upon the concept of CSR in developing economies by basing their understanding in the conceptualization of CSR as provided by two fundamental researchers Carroll (1979) and Wood (1991) and the integration between the two, after discussing the diverse understanding of the concept. 8 Lebanese (Lebanon is a developing nation like India where the concept of CSR is also nascent) companies considered active in their CSR endeavour’s were studied for the approach and philosophy they hold towards CSR on the following four parameters – types of CSR; CSR principles; responsiveness strategies and outcomes of behaviour. The results of the content analysis of the interviews with managers reflected that CSR in organizations in Lebanon lacks a cohesive, a strategy-driven and policy-guided approach. It is disjointed and fragmented in both the conduct and communication which is clearly reflected by the fact that none of the companies had a dedicated CSR officer and neither a CSR communication strategy. Managerial discretion was the key driver of CSR making CSR activities highly subjective. The traditional ideas of CSR being overshadowed by philanthropic concerns dominated the Lebanese corporations and a need to handle social activities in a more professional manner leading it from philanthropy to strategy such that it more systematic, focused and institutionalized.
Prieto-Caron, M.; Lund-Thomsen, P.; Chan, A.; Muro, A. and Bhusan, C. (2006). The article presents a critical view and highlights the major differences in CSR agenda and orientation which exist between the western and the developed nations and the focus and emphasis of CSR in developing nations to address the development needs and make CSR more ‘people-centric’ than being just driven as a ‘business case’. The diverse experience gained through empirical study of the researchers was used to understand and address the idea of CSR critically in the developing nations – Central America, Pakistan, China, Vietnam, Argentina and India. The business oriented attitude of corporations towards CSR is lop-sided and further research is needed to address the appropriate development needs of the developing world through CSR. The authors suggest a need for more development of methodologies which can present the impact of CSR in a quantifiable manner with a research focus on the following four areas – a) the relationship between business and poverty reduction; b) the impact of CSR initiatives; c) governance dimensions of CSR; and d) power and participation in CSR. The paper concludes to suggest that while attempting at analysing CSR focus should be paid at who the stakeholders are and the degree of impact CSR initiatives have on them. Localization of CSR initiatives especially to address the needs to the area is most imperative and important.

Kanagasabapathi, P. (2007). The paper builds a context or CSR in India in the present times by looking into the historical time line through the various books and writings of ancient India which have been talking about the role of values and ethics and the integration of the two with the business activity in India. The author suggests that in ancient India value to integral to commercial activity but over years due to the various rampages faced by the Indian native systems and the inability to revive the native hold of values over business post independence, the ethical element has got completely washed off from the commercial activity at the institutional level. The writer makes an interesting observation that at the individual level or what he terms as the ‘non-corporate level’ confidence and faith in human values beyond exclusive monetary drive is still present and practiced. ‘Faith-based’ transactions are an order of the day even in
contemporary times when unwritten norms founded in values and ethics are the guiding forces for several economic activities.

**Gupta, A.D. (2007).** The author deals in depth discussing about the history of the role business has in working for society and mentions that it has been driven by philanthropy and the discussion is furthered by drawing the distinction between CSR and corporate philanthropy – involvement of stakeholder as a decision making force and the focus of CSR also being to ‘build good public image’. He builds on the TERI suggested model of ‘trusteeship’ describing the various industrialists like Kasturbhai, JRD Tata, Ramkrishna Bajaj, Arvind Mafatlal et c who joined and supported the freedom movement to build the idea of nation consciousness. The paper elaborately talks about Swami Vivekananda, an eminent Indian thought monks views upon practical Vedanta on issues like humanity, society, organization, brothers and sisters model all indicating and suggesting that welfare of society has been an intrinsic part of the Indian ethos. Build on the issues focused upon by the Global Compact regarding human rights, labour, environment and anti-corruption and goes on to elaborate the list of Indian companies who have found position on the UN global compact website in July 2005 and discusses the analysis of data gathered through a structured questionnaire suggesting that responsible initiatives are positive and crucial for a country like India where data regarding CSR is scanty and limited to a few select sectors. The paper concludes to suggest that true CSR leadership look beyond the narrow confines of doing right and focus upon establishing and encouraging responsible business practices.

**Arora, B. & Puranik, A. (2004).** The authors discuss about CSR in the context of developing countries with a special focus India and base their arguments on the ground that since CSR is north–led phenomenon, its chances of fitting into the Indian frame with its unique socio-economic dimensions seems to require structural alternations. A development-oriented framework is applied to the prevalent CSR practices to contextualize CSR practice in a country like India suggesting that the western orientation and modeling of CSR needs to be modified to fit the Indian frame and be a success. An analysis of the present condition of CSR practice by corporate in India is made to conclude that has liberalization and globalization has galvanized the
momentum of practice of responsible activity in India but attachment and association to philanthropic deeds still reins high and there is a distinct mismatch between the extraordinary financial growth which several Indian business houses have achieved and their association to CSR as a practice. The paper recommends a shift in the mindsets of the Indian businessmen towards adopting CSR as a strategic business practice as against stray deeds of welfare in the form of philanthropy.

**ITC Ltd. & Deveshwar, Y. (2009).** The study is focused upon the state and functioning of CSR in the Indian context and states a lack of research literature in this region. The literature reflects distinct gaps in the theoretical literature suggesting that focus lies upon customers, shareholders and employees missing out on integrating community with the focal business activity such that it leads to diversification and broadening of the product line as well as in empowerment of the community. To fill in these gaps, the writers bring in the case description and analysis of ITC Ltd and the manner in which the company has fulfilled its social responsibility. The writers go on to empirically validate the manner in which CSR has been understood internationally where it is culture-driven in places and yet at the same time the element of objectivity is important to bring in neutrality in understanding CSR such that it can be followed by people in countries like India as well. In India CSR has an *etic* interpretation and is grounded in the philanthropic culture which is an integral part of the Indian business understanding. The role of leader in influencing CSR related activities is crucial and blending the two issues of CSR understanding and role of leader ITC as a case is analysed lending important lessons of how CSR has been innovatively linked to the basic product fibre of the organization on one hand and it has created opportunities of value creation at the ‘bottom of the pyramid’ markets like the Indian market.

**Difference Between India’s and the Western World’s understanding of CSR**

**Gugler, P. and Shi, J. (2009).** The writers have dealt with the divide existing between the developing and the developed world. They elaborate to discuss and conclude that the divide is both – conceptual and practical, indicating a difference between the understanding of CSR and the manner in which it is practiced by the developed ‘northern’ countries and the developing ‘southern’ countries. They have termed this as
the ‘North-South CSR Divide’. The basis of the argument offered is the competitiveness mismatch between the large number of SMEs operating in the developing world and the multinational enterprises of the developed world which now operate in the same market due to globalization. The idea of strategic CSR has been developed in the north and it includes the idea of CSR engagement (involvement of various stakeholders into the decision making process) which helps provide, north-driven organizations, a competitive advantage. Against this the south enjoys the advantage through the supply chains and availability of labour and therefore often the SMEs operating in the south did not appreciate the idea of CSR engagement. But over a period of time with changing business environment developing nations of the third world countries are becoming proactive and taking initiatives towards CSR. The researchers conclude to say that drafting of a considerate CSR policy is required which should be able to bridge the CSR gap which exists between the northern and the southern world and helps promote CSR standard setting and participation from both the sides. Finally the authors conclude to say that the ‘international investment legal framework’ should articulate the business organizations obligations relating to CSR activities in a more definite and ‘explicit’ manner.

**CSR in the IT Sector**

Jose, P.; Bandi, R. & Mehra, M. (2003). The article is the summation of the round table discussion conducted at the Indian Institute of Management – Bangalore (IIMB). Eminent members from the private, public and the voluntary sector together discussed the core issues regarding CSR in the Indian IT sector and further action which can be taken to enhance it. Without undermining the strategic importance of the IT sector in a few pertinent questions have been raised through this article to understand the activities of the IT sector holistically. The article questions the issue that the ‘developmental potential’ of the IT sector has been responsible for the divide between the ‘information elites’ and the ‘impoverished majority’ in a country like India. With several benefits attached to IT sector, it is equally pressing to note its performance in terms of non-financial activities and its utility for the larger good. Views of various speakers are summarized and analysed in the article which concludes by mentioning the specific
actions ranging from the macro level – national level, where policy and wide impacting actions like spreading IT benefits to rural areas and enforcing corporate citizenship activities through change in legislation, through the industry level where maintaining labour standards and spreading CSR awareness such that the IT model of CSR becomes an ideal one, and effective at the micro level – the firm level, where the firms are able to integrate CSR into the strategic planning and begin to hold a stakeholder approach in all activities.

Tewari, R. (2010). This paper studies the contribution of corporate social responsibility (CSR) of the IT sector to the process of economic development in India. The IT sector has grown multifold and brought along impacts on the business environments which are both positive and negative in nature. It has been blamed for affecting the environment and the lives of many citizens. CSR activities in the modern corporate affairs have been identified as an important business practice through which companies are able to pay back to the surroundings from where they take and therefore it acts a as balancer. The author has in this paper tried to assess the contribution of the IT sector vis-à-vis the other sectors to conclude and find the position in terms of the CSR performance of the IT sector in terms of various parameters of CSR. The other four sectors included in the study and considered for comparison are cement, steel, oil and banking. A comparative analysis was used to find that the IT was indeed a champion in heralding the cause of CSR in India and the dimensions were brought out where the other sector need to re-assess their CSR strategies.

NASSCOM – Deloitte Study (2008). The report is a result of the findings from a survey conducted by NASSCOM and Deloitte regarding the socially relevant community activities undertaken by the IT and ITES industries in India. It was found that the focal target groups of these activities are the marginalized groups of people enveloping a band of activities ranging from education to medical services and coinciding with the Millennium Development Goals (MDGs). The report provides details of the community initiatives undertaken to conclude that 85% of the IT/ ITES companies surveyed did make some sort of socially relevant initiative and nearly half of these firms had structured operations with systematic procedures and policies and 22%
of the companies being further formal holding a separate department involved exclusively in the conduct of socially relevant activities. A major form of the social activities came in the form of donations and offerings made to other institutions to support the social cause championed by them. The core areas of activities by the IT/ITES sector can be clubbed under education, health, environment and other sectors. Nearly 68% of the companies had education bound initiatives with the average number being 6 per company impacting more than 2.5 million people much beyond the limited local sphere. The education initiatives cover a broad range from access to education to retention of participants to the education process. Training and technology support has been a core area. Health initiatives are high on the list of IT/ITES companies because of the shortcomings in the public health system in India. 72% of the top range and 56% of the mid range companies work on health related issues with an average of 3 initiatives per company. The health initiatives work on creating awareness, providing access to superior quality medical support to the marginalized sections of society. 42% of the companies surveyed held environment related initiatives through internal business practices or external community linked initiatives ranging from awareness creation to proactive measures like conservation of natural resources and building eco-friendly structures. Other areas of community initiatives include employment of differently-abled, providing of livelihood support and promotion of arts and sports etc.

**FIAS & BSR (2007).** This report carries the details of a project aimed at improving the CSR standards in the Information and Communication Technology (ICT) sector in China’s information and Communication Technology (ICT) sector in Shenzhen which is a major destination of outsourcing activities in the ICT sector. An implementation strategy aimed at enhancing the CSR standards in the ICT was done through a review of the external environment in terms of public policy which impacts the CSR implementation such that a capacity building strategy could be drafted which would subsequently be followed by the implementation of the project so that the entire social and environmental standards of the ICT which includes the global supply chain could be enhanced and this would result in attracting and retaining international customers to China. The report also suggests better working conditions would maintain an overall competitiveness in the industry and achieving the government’s goal of the 11th five
year plan of a harmonious society and economic benefits in the form of enhanced business opportunities, reduced worker turnover improved reputation of the region and the sector. The recommendations offered by the report multiple stakeholders – suppliers, customers and the government agencies all of whom play a crucial role in building the ICT sector through enhanced CSR standards in China.

ASK-Verité (2006). A joint association between an Indian and an American foundation ASK-Verité delve into research and works on capacity building programmes. The social audits and research on CSR related issues in the ICT sector comprise of the components of this newsletter. The issue released carried on the e-management activities undertaken by the firms in the IT and ITES sector. It records the employee related CSR activities employed by the sector. The details included the work-life balancing activities especially with relevance to the female workers. An article also enlists the development the IT and ITES sector has made in terms of progress and development and therefore build a case to justify why it is becoming more and more important for the sector to take up CSR activities and especially with several MNCs setting up their business activities in India.

**CSR Communication**

Communication of CSR has been labeled either as CSR communication or CSR reporting and has been identified as an integral part of the ‘CSR life-cycle’ which organizations adopt. Most firms implementing and accepting social responsibility ensure that once the processes and guidelines to plan and execute CSR activities are established the companies formalize the CSR communication process to be engaged in a communication cycle with a wide variety of stakeholders. In fact certain firms designate an employee with the primary responsibility of engaging a communication process with the stakeholders regarding non-financial issues of which CSR is primary. The key argument supporting CSR communication is the influence it has on opinion and reputation making about the organization. It helps in managing the expectations of external stakeholders and encouraging other firms in adopting CSR and therefore creates a CSR supportive business friendly environment.
A set of standardized framework and structures are available for firms to convey CSR related information to their stakeholders in a transparent manner. The parameters of the frameworks ensure that CSR communication reflects the CSR performance in a manner that it can be measured as well as accounted and its impact of business and stakeholders brought out in a quantifiable manner. Some of the more commonly used frameworks available in the area of CSR reporting are as follows:

- GRI (Global Reporting Initiative), with G3 being its latest guidelines (Annexure 1 – GRI and Reporting Framework)
- CSR Assessment Tool Conference Board of Canada in partnership with Imagine
- Corporate Responsibility (CR) Index by Business in the Community (BITC)
- CSR Insight TM Five Winds International
- Eco-efficiency Tools for Business
- ISO 26000 (a guideline in the planning stage)
- Tata Index in India for Sustainable Human Development framed around the Tata Business Excellence Model in India. The guidelines are mainly influenced by the Human Development Index of the UNDP
- GRI and UNGC have recently collaborated so as to enable companies to synchronise reporting on G3 and UNGC principles in a single report.

Both GRI and UNGC are seeing an increase in their membership numbers across countries.

Ahwa, D. & Mohan, J. (1983). This research article is a seminal and very early paper which dwelt upon the issue of CSR disclosure in India. The study was conducted to understand the degree of CSR disclosure in India and what are the factors which impact them. The results suggest that in 80’s, when the concept of CSR was not very established in India, less than 25% of the companies disclosed about 40% of the CSR activities in the annual reports and an equal number disclosed less than 20% indicating a very low CRS disclosure practice amongst industries in India. Added amongst these companies the private sector organizations disclosed more CSR activities than the public sector organizations and irrespective of the type of company the manufacturing sector outperformed the service sector in CSR disclosure items, Even amongst the
manufacturing sector companies involved in producing basic material and capital goods were more active there CSR disclosure than others. The factors which affect the CSR disclosure are the total assets and the earning margin of a company which impacts CSR disclosure positively while CSR disclosure remains unaffected by the age of the company and the net sales. The authors recommend CSR disclosure because some items of CSR activities and disclosure do not require a big investment costs while they have a positive impact on the image of the company.

Murthy, V. (2008). The researcher analysed the 2003-2004 annual reports of 16 software firms operating in India to understand the various stakeholders who were addressed through the annual reports and which attributed about each stakeholder was reported. Content analysis was used to make the study and the results suggested that human resources were the most highly reported followed by community development while the least disclosure was about environment in the annual reports. Most CSR related information was not substantiated by quantitative attributed and was purely descriptive and fell as miscellaneous disclosures because they were included in the ‘Others’ section of the annual report though a few reports did carry a specific section and some also disclosed CSR in the introductory section of the annual report. The drivers for disclosures about different stakeholders varies – customers are disclosed about to match the global competition, community is catered to because of the expectations from the surroundings and the dearth of skilled talent drives the disclosure relating to human resources in India

Du, S.; Bhattacharya, C. and Sankar, S. (2010). The article brings out the positive gains which CSR yields and justifies that CSR enables favourable stakeholder relationships, builds corporate image which in turn strengthens stakeholder–company relationships, and enhances stakeholders' advocacy behaviors. In spite of these advantages the main problem is the lack of awareness amongst the stakeholders because of which the organization practicing CSR is unable to reap rightful benefits. This factor recognizes the basic need of communicating it to the stakeholders. In order to better communicate it a conceptual framework has been presented and its aspects analysed
from the content of the message and channels of communication to company and stakeholder-specific factors that influence the effectiveness of CSR communication.

Kolk, A.; Pinkse, J. (2010). The authors have worked on the understanding that CSR and corporate governance (CG) are no more two mutually exclusive activities and there is a distinct overlap between the two especially CG have begun to include aspects which traditionally fell under the umbrella of CSR. They elaborate to say that the interlink between the two is of higher focus amongst the multinational enterprises (MNE’s) where the importance of CSR in disclosure policies is much higher since MNEs operate in several companies and enjoy a greater exertion of wealth. Based on the report submitted by Fortune Global 250 companies more than half of them have a separate corporate governance section in their CSR report and/or explicitly link corporate governance and CSR issues. This linking helps them to concentrate better on the CSR activities of the organization. Further, MNEs which disclose a larger platter of CSR related information enveloping a wider variety of social and environmental issues and the focus of CSR is upon internal issues, such organizations are more inclined to integrate corporate governance into their CSR reporting. The integration between CSR and CG seems to be an international phenomenon which has cut across various countries and sectors.

Lattemann, C. Fetscherin, M.; Alon, I.; Shaomin L; Schneider, A. (2009). This research study works on to make a comparative study of the communication of CSR in India and China. It explains why do firms in China, which has a higher level of economic development, communicate less CSR than firms in India. Further it talks of using a model that includes country-, industry-, and firm-level factors to predict CSR communications intensity, a proxy for CSR activities. The research studied 68 MNC’s in India and China which showed that Indian firms communicate more CSR primarily due to a more rule-based, as opposed to relation-based, governance environment. Also the firms in manufacturing industry tend to communicate more CSR. Further, characteristics like size, duality of CEO and board chairperson, and percentage of external members on the board have a significant influence on CSR communications. The theoretical implication of the study was to bring out perspectives relying not only
on firms, industry and specific factors but on governance environment. The study also suggested that in order to improve the CSR of firms, policy makers in India and China must first try to improve public governance at the national level. For the countries dealing with India and China it is necessary to know the CSR well. Finally for the International community the study suggests that the system doesn’t change very fast and so does the CSR.

**Morsing, M. and Schultz, M. (2006).** The article critically analyses CSR communication with the stakeholders’ perspective and how there can be both positive as well as negative impact of CSR communication and to aware of the environment the researchers suggest the theory of sense-making for an effective understanding of the communication process. They suggest through empirical evidence that the managers involved in CSR communication should be constantly aware that CSR communication is like a ‘double-edged’ sword which may boomerang and therefore it is important that communication managers should try and involve stakeholders in the process of CSR communication as a step towards ‘pro-active’ CSR endorsement. Lastly the article indicates that non-financial reports can also be used as a tool for indirect CSR communication.

**Strating, R. (2007).** The researcher has in this study taken two poles guarding the CSR approach to business. One is the stakeholder and legitimacy theory while on the other hand the critical views of researchers like Milton Friedman and Michael Jenson. The energy sector is considered for study where companies are noticed to be making an attempt to legitimize their CSR in the annual reports and CSR reports. There is equal conviction of CSR playing an important role in enhancing the long-term shareholder value and yet the focus in CSR disclosure is upon legitimatizing CSR and on stakeholder value. Few companies take an explicit CSR stance instead they hold a strategic stakeholder approach which indicates towards maximising shareholders’ value.

**Cramer, J; van der Heijden, A. and Jonker, J. (2006).** The researchers have explored a rather abstract phenomenon of how organizations conceptualize CSR and the manner and the ways in which they articulate it to the stakeholders. The study used
explorative case method and compared the data gathered through background information, interviews and annual reports of 18 companies in Netherland. The study marks the steps of CSR adoption and popularization in an organization. The first move is made by the change agents who guide and coordinate the process and explore the possibilities of implementing CSR in the organization. The meaning attached to CSR is affected by the change agents’ personal values, organizational values and frames of reference. To garner support the articulation of CSR is done in a language which is in sync with that of the colleagues of the change agents. Therefore the researchers have concluded that the CSR procedure can be divided into ‘pragmatic, external, procedural, policy-oriented and value-driven’ processes. The key factors identified which play a crucial role in implementation of CSR are personal preferences, and the language use for articulation which distinctly means that every organization needs to have a unique and customized way to implement CSR.

**Bowd, R.; Bowd, L.; Harris, P. (2006).** The research article harps upon the relevance of CSR in the present business environment and suggests that with changing times and societal expectations, ‘intrusive media reporting’, and the growth in the number and intensity of the pressure groups CSR is becoming indispensable and business entities are becoming more socially responsible and considering their impact in society due to which CSR no more remains a ‘fad’. To ensure that firms benefit from the CSR activities it is important that they apprise their community of stakeholders about their CSR deeds for which it is important that organizations understand the concept of CSR and what it means to their stakeholders, then engage into it followed by CSR communication. To carry on the study the researchers studied the major retail centres in United Kingdom where they drew out CSR viewpoints prevalent in academic and practicing circle and then tested these vies with those of the stakeholders. The findings indicate that when stakeholders are treated as a homogenous group then the managers the stakeholders shared a common view about CSR.

**Ziek, P. (2009).** The researcher has attempted to paraphrase the present situation of research in the area of CSR communication and has mentioned that various studies have conducted attempting to understand CSR communication but they all include or rest
upon varied theories or approaches to CSR and fail to explicitly present a set of communicative behavior which would indicate the virtuosity of the organization and its responsible activities implemented as CSR. Most large firms communicate CSR and primarily rely upon the traditionally accepted understanding of CSR as a virtuous deed indulged in by the firms. They follow the patterned communicative behavior to make utmost sense to the stakeholders. Therefore the researcher suggests that most CSR communication related literature lacks a simplistic approach and therefore this paper provides an illustration of accounts which convey CSR communication in a non-complicated manner.

Alon, I, Lattemann, C.; Fetscherin, M. and Schneider, A. (2010). The research is a product of international survey, using telephonic interview and questionnaire, conducted in 4 key developing nations of the world, Brazil, Russia, India and China also known as the BRIC nations. The CSR communication and the role of corporate communication in managing it is the focus of this study. The CSR motivators, systems and focus stakeholders vary between the countries and China comes out to be least communicative about CSR issues. The implementation process differs between these developing nations and drawing understanding from India’s intensity to CSR communication over China indicates that the level of economic prosperity cannot be a key determinant to CSR communication. Therefore an envelope approach cannot be adopted while understanding and analyzing the CSR activities and communication across these BRIC nations.

Lattemann, C.; Fetscherin, M.; Alon, I.; Shaomin, L.; Schneider, A. (2009). The article makes a comparison between the CSR communication of the Chinese and Indian MNCs and is based upon the fundamental issues probing the reason for lesser CSR communication made by the Chinese firms as against the Indian counterparts though the economic development is distinctly higher in China. Using country-industry and firm-level factors a model is proposed which would help predict the intensity of CSR communication. The sample consisted of 68 largest MNCs operating in India and China and the result suggest the CSR communication is higher in India as against China because Indian has ‘rule-based governance’ as against ‘relation-based governance’,
therefore the country-industry factors. In terms of the firm-level factors, manufacturing industries communicate more CSR as against the service sector and other factors which impact CSR communication are the size of the firm and other corporate governance factors like the CEOs position and role and the presence and percentage of external members on the board. The paper concludes to hint at the executives operating in China and Indian and since the larger governance environment is different therefore CSR communication would also vary and any sort of change would be gradual because the national governance environment very slowly.

**Planken, B.; Sahu, S. and Nickerson, C. (2010).** The research study on the communication strategy adopted by several Indian business houses about their CSR investigates the basket of CSR activities adopted by Indian firms. The CSR platforms and the attitudes of the stakeholders form the basis – ‘form and content’ of the CSR communication which in turn is used by the firms. Both primary and secondary sources of information were analysed to find out that the Indian firms indulge in philanthropic activities aimed at community building and the communication and impact of these activities do not impact the consumers as highly as other CSR activities would do and therefore help in forming a positive attitude and opinion about the various marketing strategies adopted by the firms. The paper concludes to suggest ways through which Indian corporations may formulate their CSR communication strategies in such a manner that it impacts the stakeholders positively and provides the organizations a competitive advantage.

**Scott, S.G. and Lane, V.R. (2000).** The focus of this research was largely based upon the importance and relevance attached to stakeholders while making CSR communication. It lays emphasis on the fact that marketing communication uses CSR. This done to stimulate the stakeholders cognitive connect with the organization by presenting the organizations images in communication, showing the stakeholders association to the organization in public and increasing the interactions between the stakeholder and the organization. Such methods help to enhance the organizations identification with the stakeholder as a result of which organizations communication incorporates CSR aspects in most of its internal and external communication like
newsletters, public speeches, advertisements etc to ensure that its corporate communications manages to convey an image of a corporate citizen with a focus on its stakeholders.

The researchers supplemented their findings with case studies like those of Shell’s communication focused upon its cause for environmental protection where they said "our progress with environmental care and social responsibility." Similarly Starbucks’ commitment towards the economically underprivileged economies of the world is depicted through its candid statement about being a company which sells ‘Fair Trade coffee.’ The paper concludes to suggest that such a communication helps project the organization in a positive light in issues of concern for being socially responsible. Organisations like Wal-Mart and Fannie Mae employ testimonials from the primary stakeholders and put them up on public domain to be able to communicate their affiliations to and response from the stakeholders. Service company like EDS in the United States organizes events where it brings together the various stakeholders and encourages interaction and discussions towards involving them into a common project such that a link is established between the organization and the stakeholder.

Therefore communication regarding CSR helps create awareness about the socially responsible initiatives taken by the organizations along with creating a common platform which acts as a link between the organization and its various stakeholders.

Maignan, I. and Ferrell, O.C (2004). The article emphasizes the importance of intelligent CSR communication to reap concrete benefits out of the CSR initiatives undertaken by a firm. They convey that there is a direct association between an organization’s communication of CSR initiatives to different people and the identification which its stakeholders would have with it. The research concluded to suggest that the higher the number of CSR relevant images contained in a firms communication the higher is the organizational identification with the concerned stakeholders, the increased number of common concerns between the organization and the stakeholder projected through communication the more positive the impact on organizational identification with the stakeholders concerned with that issue and the
more interactions promoted through communications leads to higher organizational identification and the stakeholder concerned with that issue.

The article empirically concluded that the CSR communication acts as a moderating factor between the organizations image and the stakeholders. It also reiterates that CSR cannot be practiced as stray benevolent activities introduced in the form of philanthropy, environmental or employee-friendly policies and practices but it should be backed by well established principles and processes which would be able to meet the stakeholders expectation providing security and confidence to them.

**Channels of CSR Communication**

**CSR Communication through Websites**

**Chapple, W. and Moon, J. (2005).** The article is a result of a cross nation study of 7 countries – India, Indonesia, Malaysia, The Philippines, South Korea, Singapore and Thailand. It focuses upon four main issues concerning CSR across various nations in a similar region. The issues are – the homogeneity of CSR across nations, the impact of stages of development of the economy on CSR, the effect of globalization of CSR in the Asian countries and the indigenous business systems impacting the CSR profiles of organizations operating in those countries. To study these issues the websites reporting of 50 companies operating in these countries was considered. The findings show that there exists a considerable difference between the website reporting of CSR in the 7 Asian countries primarily not because the stages of development are different but more because the business systems structure varies and the factors of business have a bigger impact on CSR profiles of the firms operating in these countries. Further, MNCs are more inclined and forthcoming in adopting CSR than firms which only have local operations. The CSR profile of MNCs is more impacted by the country of operation than their country of origin indicating that globalization does facilitate in promoting and encouraging CSR activity but its structure has a definite localization impact.

**Cappriotti, P & Moreno, A. (2007).** The study aims to examine the presence and organization of CSR related information on the corporate web sites of companies that are listed on the index of the Spanish stock market. The tools developed by the
authors have helped to identify CSR and how to analyze information. The methodology used for research was content analysis which includes the study of recorded human communications such as books, websites, paintings etc thus helping to analyze recorded transcripts of interviews with participants. The results reveal that the companies on their websites focus mainly on the topics of social and environmental action and promulgate extensively only a limited idea of what corporate responsibility is. Another important finding brought out from the study is that CSR related information on corporate websites is highly dispersed. However there is a research limitation on inferences as the study was conducted on a sample of companies from the Spanish stock market, and therefore the results are not necessarily specimen of the entire Spanish stock market.

Wanderley, L.; Lucian, R.; Farache, F. & Sousa Filho, J. (2008). The article highlights the importance which CSR is getting across the globe and the manner in which it is becoming increasingly important in business. With changing times Internet has also found importance in the business world and the firms to use it as a major source for exposure to CSR information thus enabling a speedy and economic dissemination of information on CSR. With a powerful tool available, corporations are increasingly concerned with communicating ethically and responsibly to the diversity of stakeholders through the web. The paper provides an in-depth understanding of the extent of influence the country of origin and/or industry sector on disclosure of information about CSR on corporate website. In order to achieve this websites of 127 companies were analysed from upcoming countries such as Brazil, Chile, China, India, Indonesia, Mexico, Thailand and South Africa, it become clear that though both country of origin and industry sector have a significant influence over CSR information disclosure on the web (CSRIDOW), country of origin has a stronger influence over CSRIDOW than industry sector. The results of this study counter findings from a few earlier studies which concluded that the country of origin doesn’t have a very deep impact of CSR communication but the industry and sector of operation impacts CSR reporting exceedingly.
Chaudhari, V. & Wang, J. (2007). The research study is based on the premise that active and transparent communication about CSR is essential and organizations understand and accept the relevance of it and therefore the objective of this study is to analyse the dimensions of importance of communication, amount of communication and the manner of presentation of information. The channel of communication was the websites of the IT companies operating in India. The results suggest that the total number companies putting up their CRS related information on the websites is immensely low from which it can be easily deduced that the technology sector is not leveraging the advantage of being technology savvy and are losing an opportunity to communicate a large amount of CSR information in an impressive manner. The researcher cautions to say that low CSR communication on the websites may not necessarily mean lack of CSR related activities but it does suggests that managers of IT firms handling CSR should try and make the most of the technology to communicate CSR and derive maximum advantage from it.

Moreno, A. & Capriotti, P. (2009). The article builds the background and examines the CSR related literature to analyse the conceptual development of the notion of CSR. They further make an in-depth analysis of the economic and social implications of the CSR related practices to the organizations. The study was based on the companies listed on the Spanish Stock Exchange and their websites were analysed to examine the inclusion of CSR, corporate citizenship and sustainable development issues. It emphasized the inclusion and importance of these issues on their websites.

CSR Communication through Annual Reports

Suárez-Serrano, E. (2009). The study was conducted on Spanish companies in the tourism industry where the rationale for CSR becomes higher because society or community is a part of the business activity and therefore companies involved in tourism must take responsibility of the places their business focuses upon. There is scanty literature available about the CSR practices in the hospitality industry. In Spain only two hotels provided CSR related information on their websites and annual reports. The analyses of the CSR related content on the websites and annual reports indicate that
the hospitality industry lags way behind the other industries but their commitment is firm and diverse CSR related activities are undertaken.

**Azim, M. I.; Ahmed, S.; Islam, Md. S. (2009).** The researcher have attempted at investigating the CSR reporting practice in Bangladesh which is developing nation and where CSR reporting is not mandatory by law and is a voluntary decision which companies may make. The annual reports were analysed as a communication medium and results indicated that only 15.45% of the companies in Bangladesh made CSR disclosures. The nature and form of CSR reporting in listed companies was mapped to conclude that banking sector ranked highest in matters of CSR reporting in Bangladesh in 2007. Majority of the CSR disclosure was qualitative in nature and lacked to be qualified by quantitative statistics. On an average amongst the listed companies in Bangladesh, CSR reporting occupied less than half and majority of CSR related communication featured in the director’s report which clearly indicates that CSR reporting in Bangladesh is very scanty and leaves a lot to be desired both in terms of quality and quantity of disclosure.

**Waller, D. S. & Lanis, R. (2009).** Annual report apart from being a medium of mandatory financial reporting is also extensively used by corporate as a marketing tool and since the business world has begun to recognize CSR as an important issue, several companies including publicly listed companies and predominantly private enterprises like the advertising agencies have begun to voluntarily report their CSR activities in their annual reports. The researchers give due weight-age to the fact that advertising agencies face huge criticisms on issue of business ethics and values yet they argue that CSR activities undertaken by advertising agencies can help in reflecting the positive side of the agency’s business as well which largely remains underplayed. The study analysed the annual reports of the top six global advertising agencies to understand the major CSR activities which the advertising agencies undertake and the focus area of communication so that a CSR disclosure index could be developed to measure the effectiveness of the CSR disclosure of the advertising agencies based on discourse theory. The results of the study indicate that some advertising agencies engage in CSR activities and disclose them in their annual reports and there is no systematic CSR
reporting structure across the industry and CSR related communication appears in different sections in the annual reports.

**Sweeney, L. & Coughlan, J. (2008).** The research paper confirms the view that CSR is becoming increasingly a part of the business activities around the globe and most corporate are realizing the benefits of CSR reporting and communication and use various channels for CSR reporting. Annual reports are one such medium, content of which is analysed by in this paper. The prime objective being to understand the motivation of CSR communication and the role stakeholder consideration plays in the communication. The results show that various industries adopt varying CSR reporting practices but what remains common is the stakeholder view irrespective of the industry type indicated by the fact that the company’s engage in and communicate what the stakeholders expect irrespective of the fluidity of the concept. Therefore stakeholder satisfaction does seem to remain at the core of the CSR communication made through annual reports providing evidence that CSR reporting is also used by corporate as a marketing tool.

**Amran, A. & Devi, S. S. (2007).** CSR disclosure in Malaysia is studied to understand the role of government in the development of CSR reporting in Malaysia. Annual reports of 201 public listed companies operating in Malaysia were analysed. The results show a strong significance of governmental shareholding and dependence on the government on CSR reporting. The governmental agencies play a very crucial role in encouraging CSR reporting and therefore for CSR reporting to be encouraged it is important that the governmental agencies should be inclined. The prime reason for the dependence of CSR reporting on governmental agencies is that the institutionalization of CSR practices can be spearheaded and will receive a thrust by the government’s aspiration and vision pertaining to social and environmental issues. It was found that the employee and environmental related issues were the most commonly reported CSR themes in the annual reports studied and the governmental policies too were found to be supporting them immensely.
CSR Communication through Sustainability Reports

Perego, P. (2009). This research study works on the verification and authentication systems used by firms for their sustainability reports which are increasing in numbers over years. The reasons and impact of choosing different assurance providers though logical regression analysis applied on the sustainability reports of 136 companies it can be concluded that firms based out of countries which have a weak governance system are more likely to hire the big-4 accounting firms as assurance provider. An association between the type of assurance provider and the quality of assurance statement was studied using content analysis to indicate that the big-4 accounting firms have a positive impact in terms of the format used for reporting and the assurance procedures. Inversely the quality of recommendations and opinions in sustainability assurance statements shows a higher positive association with the non-accounting assurance providers.

Quaak, L.; Aalbers, T. & Goedee, J. (2007). The role sustainability reporting plays on CSR performance is understood to be positive and therefore a high degree of transparency in sustainability reporting (SR) is expected. SR should include information required by customers in the decision making process of buying sustainable products. CSR and sustainability reporting at seven breweries in Netherlands was used to understand the factors which governed organizational behaviour regarding their CSR and sustainability reporting. Results suggest that the organizational view about CSR and sustainability is that sustainability reporting does not have a deep impact on the stakeholders because they find the CSR related information from other sources like the annual reports, meetings, public statements and press releases. The small firms do pay importance to CSR activities but they do not find stimulation in the external business environment to publish sustainability reports as the Dutch Government does not intend to make sustainability reporting mandatory and publishing the report is a complex and an expensive proposition as well. The large firms do feel an inconsistent and irregular pressure from stakeholders to be transparent on account of which CSR-sustainability reporting is low. Further, CSR activities and sustainability reporting do not have any impact of each other and both are neutral to one another.
Ferns, B.; Emelianova, O. & Sethi, S.P. (2008). The writers have established the growth of the non-financial reports which have been published in the last decade and the various nomenclatures which have been attached to these reports range from corporate social responsibility report, global citizenship report or sustainability report. But irrespective of the name under which these reports are released these reports are a platform for the firms to demonstrate to people at large the positive responsible corporate citizenship conduct. But deeply researched association about the ability of these reports to positively persuade the intended audience is missing and therefore the paper explores the role of CSR-sustainability reporting and its role in corporate reputation management especially the role that senior corporate executive acting as a spokesperson on behalf of the firms and conveying the image of being a good corporate or global citizen.

Hedberg, C-J.; Von-Malmborg, F. (2003). The paper is based upon the study of Swedish companies where sensitivity to environmental reporting is very high. Through this paper the use of Global Reporting Initiative (GRI) for CSR reporting in terms of sustainability reporting is specifically focused at. The research explores the reason for the adoption of GRI guidelines by companies and in turn the impact the guidelines have had on CSR reporting and environmental management. Focused interview was used as the research technique for study and the results showed that legitimacy was one of the big reasons for the use of GRI along with the fact the GRI guidelines also helped in providing a structural framework for the sustainability reports. Further, GRI guidelines are found to be handier for internal communication than external communication as a lot of debate still exists in the completeness of the GRI guidelines. A key benefit in internal communication is that the organizations are able to gauge their own performance in terms of the CSR related activities. Over a period of time GRI would find a stronger hold in triple bottom line reporting as well but there needs to further development and improvisation in the guidelines.

CSR Communication through Press Release

Reinig, C. J. & Tilt, C. A. (2009). The study analysed the use of media releases in the marketing and communications of CSR made by four major Australian national banks.
Content analysis is used as the research methodology to measure the extent and the nature of CSR communication and understand the specific stakeholders targeted by the banks through their CSR communication. The findings indicate that majority of the banks used media as a channel for CSR communication and the most commonly discussed CSR issues communicated through press releases is community involvement followed by customers as a stakeholder. The other stakeholders like employees and shareholders are not targeted through the media releases.

**Bollinger, L. (2001).** The article is aimed at developing a measure through the impact measurement of the media releases made in USA. Here the press releases were understood to be the most important media tool which enjoys a deep impact and influence on the opinion making of the people at large. The ‘dynamic social impact theory’ (DSIT) has been used in the past and it was found that as against several other measures the DSIT was found to be the best measure based on which a scoring method was generated.

**Seidler, L.J. & Lebar, M.A. (1982).** The writers conducted the research to study the consistency between the language used in the financial press releases and the year end results declared through annual reports and form 10-K. A high degree of consistency was seen in the linguistic qualities such as completeness, qualification, reporting of facts against generalizations and the use of propagandist words. A similar appeal and tone was reflected in press releases as it was in form 10-K. The language of the press releases matched to that of the form 10-K as against that used by the professional or governmental institutions. The understanding of a form of communication as readable depends upon the format of presentation of the document. High degree of consistency in usefulness of information, quality of language and the timeliness was noticed between the press releases and 10-K.