

Identifying Dimension of CSR in Developed and Developing Economies: A Case Study of India and USA

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Abstract –The current study is an attempt to do a comparative analysis of CSR practices in developed and developing countries. The countries that will be selected for the study is India as developing country while USA as developed country. A total of 300 companies has been selected for the purpose of the primary study, 245 companies from India and 55 companies from USA. These companies have been taken as representative of their countries as they will be chosen from the Top 500 companies of that particular country. The criteria for selection of Indian and US based multinational companies in the sample was on the basis of their size and scale of operations as on March, 2018. Eight dimensions of the CSR are mainly; Environment and Natural Resources, Women Welfare and rural development or Girl Child Welfare, Minority groups and Disabled People, Community Development and Health, Education Development, Employees Welfare, Sports and Skill Development, and Contribution to government schemes. Overall, it can be said that the developing and developed countries are both doing similar kind of efforts in the CSR areas except for the community development and health. Developing countries are performing extreme efforts to improve the status of the members of the community members, by providing all the development opportunities to the people and taking care of their health.

Keywords –Corporate social Responsibility, India, Environment, Welfare, Community Development, Developed Economies.

INTRODUCTION

Corporate social responsibility (CSR) can be defined as the continuing commitment of a business to operate its functions ethically and contribution to economic development by improving the quality of life of the employees and their families as well as of the local community and society at large [1]. CSR is a concept whereby companies decide voluntarily to contribute for the purpose of development of a better society and cleaner environment [2]. Corporate social responsibility (CSR) is about understanding the impact of business at its macro environment which consist all the stakeholders of the business and considering how to use this impact in a positive way that can be leveraged for business success. Scholars are of the opinion that there is a complex inter-dependency amongst the factors of a business viz Employees, investors, sellers and customers. For example, employees depend on business for earning money while the customers, suppliers and the local community are all affected by business process. The product that a company manufacture and the technology used in the process has an impact on the environment. Literature study indicates that there is a

positive connection between Corporate Social Responsibility (CSR) and Business success. CSR is no longer considered as a philanthropic activity. It has been studied in much depth over the years across various industries and it has been seen that CSR has lot of strategic benefits for the business in the long run [3]. However, in the highly dynamic economy of today, increasing number of businesses are supporting and embarking on Corporate Social Responsibility (CSR). Yet, a common and popular definition of corporate social responsibility is not available in the literature. This becomes a hindrance for developing countries like India which is rapidly making its presence in the international market. For the purpose of this research, we would define corporate social responsibility (CSR) as the idea that a company of any size should enhance its internal business operations and competitiveness while contributing to a better society and cleaner environment [4]. Also, according to ISO 26000 standards that governs the concepts of Corporate Social Responsibility internationally, it is the responsibility of the business organization to contribute to sustainable development, including health and the welfare of the

society. The company should take into account the expectations of stakeholders, it should be in compliance with applicable law and consistent with international norms of behaviour and should be integrated throughout the organization and practiced in its relationships. Thus it can be seen from ISO 26000 standards that the business should create benefit for the stakeholders and at the same time fulfil its obligations to create a better society.

According to UK Small Business Consortium, 88% of consumers said they were more likely to buy from a company that supports and engages in activities to improve society [5]. An independent study conducted by IBM titled "Attaining Sustainable Growth through Corporate Social Responsibility" indicated that majority of business executives favoured CSR in their operational strategy as it enabled them to earn positive feedbacks from their customers. A 2011 sustainability study by MIT showed that 70% of corporates in US pursued CSR in their corporate agenda. CSR is being increasingly pursued by businesses as a strategy to increase their brand image. The philanthropic activities provide the business with free publicity. Shaun Walker, the Creative Director and Co-Founder of HEROfarm, a marketing agency in New Orleans is of the opinion that "people remember the kindness and smiles you shares with them and how you made them feel, not what kind of car you drove or what designer clothing you wore". Thus CSR is being increasingly pursued as a strategy for branding. Organizations such as Unilever are one of those eminent industries that have shown the world the model of sustainable business in the form of corporate philanthropy. Many Indian enterprises have long been practicing this concept of corporate philanthropy such as; Tata, Jindal Steels, etc. Infosys founder, Narayan Murthy is of the view that social responsibility implies creating maximum shareholders value working under the circumstances, where it is fair to all its stakeholders, workers, consumers, the community, government and the environment. By investing in capacity building corporates as assist in the economic development activity of the local area where they operate [6]. A survey from Net Impact found that 53% of workers said that employees were happier to work with that corporate where they could make an impact for the society. Also 35% respondents in their study were willing to take a pay cut to work for a company committed to CSR. Thus, CSR enable a company to retain their existing talent and attract more talent [7]. Another benefit for the corporate that comes from CSR is savings in the opportunity cost due to savings from

wastage reduction. By adopting less polluting and less waste generating manufacturing methods, the firms not only bring benefits to the environment, but at the same time it saves money which would have been spent on waste handling. It also helps in complying with the regulatory standards of the government [8].

Various researches indicate that foreign multinationals prefer working with those companies that project positive image at international level. CSR is not only about serving the society. It has a larger picture, CSR goes a long way in bringing value to the stakeholders, employees and customers alike [9]. In the wake, when India is working towards establishing itself as a country brand and wants to attract more foreign nationals to work with India under the Make in India campaign, it is very important for Indian corporates to project a positive brand image and CSR can help in this effort in a constructive manner. Apart from the branding concept, an ideal CSR has ethical and philosophical dimensions as well. This is particularly relevant in India where there exists a wide gap between sections of people in terms of income and standards as well as socio-economic status [10].

All these advantages of CSR add up in building a positive brand image. Past literature studies showed that companies often favour suppliers who have responsible policies. So in order to succeed in international business, India needs to understand the standards of CSR being followed by the international counterparts. It can possible only when such researches will be conducted by the scholars through which Indian corporates will be able to identify the loopholes in the CSR activities currently followed and can take remedial actions for long term benefits.

However, extensive study of the literature on corporate social responsibility indicates that though many researches has been conducted on Corporate Social Responsibility in Indian corporates, but there is no such research is available that had made a comparison of CSR practices of India with that of the developed nations. Such a comparison is of utmost importance because in this globalized market where all the key players viz buyers, sellers, vendors and customers are globally dispersed, India must project a positive brand image to reap maximum output as mentioned above. However, current literature only provides information about the Philanthropic activities of Indian corporates. No literature is available that can act as benchmark to measure the standard of India's CSR activities with that in the developed world. As seen from the above mentioned, CSR is being

increasingly used by corporates to increase profits. The current picture of social activities pursued by Indian business project an image that it is more of a liability. So, with the help of the research proposed to be undertaken in this study, we can obtain quantitative understanding about the CSR activities undertaken by corporates in developed nation, measure the benefit it brings to their stakeholders, compare it with Indian scenario and identify the flaws in our CSR policy. By identifying and eliminating the hindrances, Indian businesses can also take advantage of the strategic benefit of corporate social responsibility and match up with other Global MNCs. In order to achieve this goal both primary and secondary study will be considered. The purpose of secondary study is to review and compare the CSR practices which are currently prevailing in India and USA. Primary survey will be used to gain detailed understanding into the CSR practices currently in vogue in both India as well as USA.

REVIEW OF LITERATURE

The mushrooming importance of CSR practices in the multiple agendas of nations depicts an understanding of the contribution of CSR to business results and corporate reputation across the globe as this notion has already been engrossed in the business and on the turf of global governance institutions [11]. There has been a proliferation in the demand of firms striving smart to respond actively towards the social concerns. Countries around the world are establishing and structuring essential institutional frameworks and systems to support the CSR practices and reporting. Researchers have argued that the various global approaches in context to CSR exist in a different way across advanced and advancing nations as well as they can be substituted for each other; only on the basis of evaluation and analysis of some environmental conditions at the macro level as well as nation-specific contextual constraints due to the divergence of CSR related strategies and practices between developed and developing nations [12]. The implementation of a sustainable business model is a precondition for promoting sustainable development. The corporations must understand the value of implementing the sustainable business model that enables the firms to adjust to the dynamic and changing business circumstances.

By developed countries we mean the nations, which are industrially advanced and have higher level of per capita incomes. It includes the USA and most parts of

the Europe, which are basically termed as the western nations. On the other hand, the advancing nations include the nations in the vicinity of India, Brazil, South Africa, Peru and other developing nations. The range of models and their respective framework differs from nation to nation and across firms' operations but due to the efficacy of operational perceptions; the concept has gained broad accord in the business community [13]. There are five domains, which are chiefly recognized by the existing Corporate Social Responsibility (CSR) models such as legal, ethical, social, philanthropic and environmental. In the advanced nations, the legislation requires the companies to report and be accountable on their performances and practices related to the social and environmental aspects. Therefore, MNCs around the world try hard to establish and stabilize the good networking and sound reputation in the international market by befitting the suppliers and producers from the other nations [14].

In the words of Archie Carroll's Classical study of CSR; the term CSR included the multiple social responsibilities like Legal aspect imbibes adherence to the laws, rules and regulations; ethical aspect depict the partial and extensive framework of right and moral issues; social aspect is related to the all the segments and population of the nation; philanthropic aspect deals with the charity and initiatives related to the welfare of the people as well as the environmental aspect reflects the preservation of the environment and environmental sustainability in the long run [15]. These determinants strongly influence the CSR initiatives of the corporations. Over the period of time, the environmental sustainability has gained importance and now reckoned as an integral part of the corporate business involvement. The notions of CSR practices require the business and government to recommend responsible behaviour to enhance the sustainability at the global level. It is also suggested that this CSR involvement by the firms is only a tool of philanthropy but also a mechanism to get long term competitive advantage as well as generally contribute to ensure the sustainability of governance at the global level [16]. So, it is difficult to practice a global standardized CSR initiatives index throughout the entire world so country-specific practices are taken into account for execution of effective model in the present epoch.

Developing and developed nations have distinctive CSR priorities on their specific agendas. CSR varies from continent to continent, nation to nation and sector to sector mainly at the different rhythms. The concept originally has its roots from the western nations and it

has influenced the state and culture of these nations right from the beginning. In the advanced nations, the CSR practices of the firms are based on the foundation of developmental-approach that focuses on establishing the environment for the accountable, responsible and transparent business [17]. The nations like US, North America, Scandinavian, Australia, OECD and European Union, Japan and Korea have imbibed CSR practices into their business framework. The activities have transformed themselves as the strategically planned actions and initiatives, which benefit the entire society, government and all stakeholders' communities as well as have provided support for the growth of entrepreneurial initiatives to the state strategy [18]. There are huge fluctuations found in the ethical responsibilities in the advanced nations. Some nations have legal framework for the applicability ethical responsibilities like in Europe where as others have discretionary acts of successful capitalists in the country like United States [2]. The RCI's index for 2007 has stated that more advanced nations perform better in context to the CSR practices to promote the business standard and issue their annual business performances in this context. In the words of Lohman and Steinholtz, customer satisfaction is reckoned as the major stimulant of the CSR practices in the Western nations and most of the firms aim at providing the responsible products and services to them [19]. It has also been found that the advanced nations focus to move their business ventures to the areas with less stringent environmental and social measuring yardsticks [20].

The advanced nations like Europe have strong and broader approaches, norms, values and perceptions for benefitting the stakeholder relationships by strengthening the stakeholder relationships and knowledge networking with them [21]. These nations have adopted several mechanisms to transform the conventional CSR approaches of business environment with the help of reengineering as well as policy reconstruction. There has been increasing recognition of 'one size fits all' concept across these nations in operations around the globe. These concrete efforts undertaken by these nations have enhanced the performance of these enterprises to adjust and sustain in the sustainable development agenda. These nations perform all the functions and operate their strategies to promote work and life balance, stabilizing the code of conducts and social rights, publish the annual reports of their performances, establish legal jurisdiction against the violation of rights of all the stakeholders [21]. For example, Europe has undertaken many events to

promote their CSR initiatives over the world like: a) The Lisbon European Summit 2006; b) The EC Green Paper "Promoting a European Framework for CSR" of July 2001; c) The EC Communication "Implementing the partnership for growth and jobs: Making Europe a pole of excellence on CSR" in 2006. The European Commission later on renewed it EU CSR strategy in the 2011-2014 by applying various internal and external CSR practices to support the entrepreneurship and responsible business with the Europe's 2020 Growth Strategy [1]. This agenda was taken into account as a step to collaborate the ethical, social, environment and human rights concerns into the business operations as the core strategy [22]. The focus is more towards the standardization and finding the new ways to keep all the stakeholders gratified with the constant initiatives at the regular intervals of time. The new policy has emphasized on the worth of national and local CSR initiatives, enhanced the market value of self-regulation process, improves levels of the trust in business environment, enhancing the visibility of CSR practices and inclusion of European award, commitment towards the satisfaction of all the stakeholders, monitoring of the joint ventures by the firms and government, adequate reporting system, improved firm disclosure of the ecological, market and social information as well as the integration of the CSR practices in the multiple fields of education, health, research, public policy, market value, leveraging the European Union policies and co-regulation of the initiatives at the global levels. The policy aims at providing sufficient level of support to all the nations [23].

The current study is inspired by findings of the researchers that CSR has a positive relationship with the performance of the companies. According to this finding, the developing country should also follow CSR practices of the developed country in order to achieve the better performance of its corporate sector. In the era of globalization, where every resources of production have become mobile in nature, companies have it stakeholders such as, shareholders, employees and even customers globally. Thus a need is felt to globalize the standard of CSR practices of the companies also. The unity in CSR practices is needed by the company in order to fulfil the corporate social responsibilities of the company towards its stakeholders without facing any discrimination from the companies who are working in rest of the world. With the help of this study we will make a comparative study of CSR practices of developing and developed countries. The areas where there is a difference in CSR practices in both the

countries needs to be identified make the standards of CSR practices of a developing country at par with the developed country. Thus, this research aims to fill this gap by providing with a theoretical foundation of CSR activities in India and obtain comparative analysis of India's CSR policy with that of developed countries.

OBJECTIVES OF THE STUDY

This study aims to identify the dimensions of the CSR in developed and developing countries; and to make a comparative analysis of CSR practices of developed and developing countries.

MATERIALS AND METHODS

The current study is an attempt to do a comparative analysis of CSR practices in developed and developing countries. The countries that have been selected for the study is India as developing country while USA as developed country. The reason for selecting India as developing country is to make a contribution to India in the area of corporate social responsibility through the current study. USA is known as the super power of the world. India being an emerging market thrives to become equivalent or to stand on the same level with the most developed economy of the world i.e. USA. CSR being the very sensational topic in the corporate world is getting very much importance now-a-days. India as an emerging economy needs to set the standard of its CSR practices as per the global standards of a developed economy to achieve the goal of being equivalent or to stand on the same level with the most developed economy of the world. Therefore, a comparative study between India and USA will be done through this research to study the CSR practices prevailing in these two countries. The study will be based on primary and secondary data both. Secondary data will be used to study the theoretical aspects of CSR practices prevailing in India and USA. Primary data will be used to evaluate the nature and extent of the CSR practices in India and USA. Finally, a comparative analysis of CSR practices of both the countries will be done to know the areas where India need to raise its standards for corporate social responsibility. The primary data will be collected from the respondents through survey. One standard questionnaire will be framed to collect the data from both the countries; the only changes related to accounting standard of both the countries will be made in some questions as per the need of the study. For the purpose of the data collection the list of companies has been taken from fortune 500 companies of India and USA. A total of 300 companies

has been selected for the purpose of the primary study, 245 companies from India and 55 companies from USA. These companies have been taken as representative of their countries as they will be chosen from the Top 500 companies of that particular country. The data will be analysed using factor analysis, t test, ANOVA, and descriptive analysis.

Table 1. Sampling Design

Type of Company	Delhi	Mumbai	Kolkata	Total
Indian Companies (Developing Economy)	105	21	119	245
US based MNCs (Developed Economy)	20	15	20	55
Total	125	36	139	300

The criteria for selection of Indian and US based multinational companies in the sample was on the basis of their size and scale of operations as on March, 2018. Out of 300 respondents, 81.7 percent respondents were employees in Indian companies while less than one-fifth of the respondents i.e. only 18.3 percent worked in US based multinational companies. Thus, it can be said that majority of the respondents worked in Indian companies. Out of 300 companies, 159 companies were of large size, 96 companies were of medium size and 45 companies were of small size. 46.3 percent respondents were from companies based in Kolkata. It was followed by respondents from Delhi-based companies who accounted for 41.7 percent while the respondents in Mumbai- situated companies made up for 12 percent of the total employees surveyed. Thus, it can be said that majority of the respondents worked in companies from Kolkata. Overall, it can be seen from the table 1 that primary data has been collected from total 300 employees of 300 different companies. 300 respondents from Indian and multinational companies in India have been taken in the study.

Null Hypothesis

Null hypothesis: There is no significant difference in the CSR practices of developed and developing countries.

FINDINGS AND DISCUSSIONS

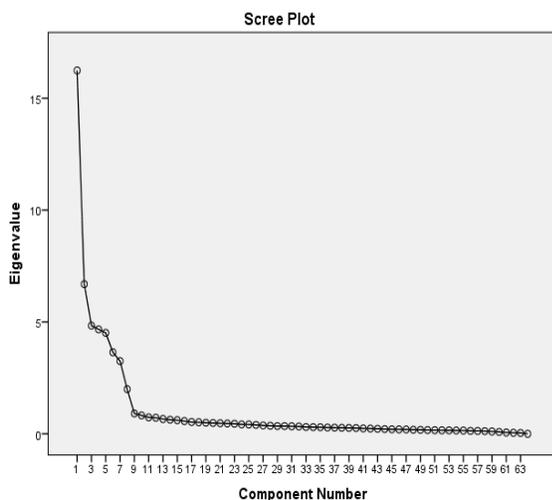
In order to identify the dimensions of CSR exploratory factor analysis has been used in the study. Researchers have used the KMO test and Bartlett test to test the adequacy or fitness of the data for applying the factor analysis. Primary data needs to fulfil these basic tests for successful application of factor analysis on primary data. These two tests basically check the adequacy of the data, and fitness of the data.

Table 2: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.938
Bartlett's Test of Sphericity	Approx. Chi-Square	15594.569
	df	2016
	Sig.	.000

It can be interpreted from the table 2 that value of KMO test is found to be 0.938, which is very close to one. Higher value of KMO shows the adequacy of the primary data for applying factor analysis. Thus, it can be said that the data is suitable for the factor analysis. As per the results of Bartlett's test, the value of chi-square is found to be 15594.569 which is significant at one percent level of significance thus, it can be said that overall the data, number of variables and the sample size is adequate and suitable for applying factor analysis.

(See Annexure 1) Eigen values and the variance table given in above table shows that there are total eight factors whose eigen values is more than one, hence the factors extracted during the study were eight. Total percentage of variance explained by these eight factors was 71 percent and rest of the 29 percent variance can be explained by other chance factors. Total variance explained by first factor is 21 percent, second factor explains the variance 10 percent, variance explained by third, fourth and fifth factors was 7 percent each. Variance explained by sixth factor was nearly six percent while variance explained by seventh factor was five percent. The lowest percentage of variance was explained by last factor that was 3 percent.



Screen plot shows the graphical representation of the Eigen values and the number of variables entered in the factor analysis. It shows that the elbow of the screen

plot starts from the variable 8, hence, the variables before the elbow have been considered in the study as number of factors extracted from the factor analysis. Hence, total eight factors are there which represent the dimensions of CSR activities.

Table 3: Dimensions of CSR

	Factor Loadings	Mean	Std. Deviation	Skewness
Community Development and Health Cronbach Alpha = 0.860, Mean value = 3.79				
Mobile hospital	.835	.143	.055	.055
Sanitation and public health	.823	.163	.074	.042
Bio-Digester Toilets	.820	.184	.081	.072
Established dispensaries, maternity homes, polyclinics	.802	.099	.066	.067
Senior Citizen Recreation Centres	.797	.123	.073	.089
Clean Drinking water facility	.793	.169	.099	.085
Cancer awareness/AIDS awareness programs	.792	.138	.091	.149
Free medical camps	.789	.161	.082	.073
RO water plants	.781	.115	.132	.047
Basic Life Support (BLS) Ambulances	.773	.126	.032	.127
Hostel facilities to students and working women	.771	.110	.150	.013
Charity for cancer patients	.758	.072	.083	.018
Established Community Halls, Physical Centres/Gyms, Swimming Pool,	.753	.117	.016	-.033
RCC covered drain	.727	.086	.066	.079
Employees Welfare Cronbach Alpha = 0.750, Mean value = 3.65				
Workplace environment improvement	.076		.126	.077
School for employees' children	.833		.116	.074
Transparent performance appraisal system	.815		.070	.065
Medical facilities to employees' family members	.811		.187	.051
Leave to women employees for child care	.802		.052	.231
Competent salary	.801		.269	.045
Retirement Benefits	.787		.238	.026
Facilities at working place to employees	.780		.119	.215
Child care facilities	.774		.102	.109
Transparency in promotions and transfers	.763		.103	.091
Environment and Natural Resources Cronbach Alpha = 0.735, Mean value = 3.33				
Waste utilization	.798	.209		.104
Green Marketing	.798	.209		.104
Green packaging methods	.783	.145		.087
Pollution control	.781	.033		.113
Water conservation, cleaning and reviving water bodies	.757	.143		.132

Botanical Garden/Developing parks	.755	.174	.095		Setting of skill development centers	.944	.057	-.014	-.056
Solid waste management	.742	.033	.151		Skill development for sustainable income generation	.902	.061	.018	-.051
Tree plantation	.726	.187	.151		Promotion of Sports & Games	.860	.061	.039	.024
Solar home lighting system	.724	.045	.137		Minority groups and Disabled People Cronbach Alpha = 0.715, Number of Statements = 4, Mean value = 3.60				
Adoption of wild animals	.707	.029	.150		Financial assistance for purchase of stationery SC/ST/OBC/Minorities students	.912	.018	-.134	-.082
Promoting Energy efficiency methods	.692	.110	.090		Supply of text books and uniforms to Backward/ minority students	.890	.003	-.134	-.049
Women Welfare and Rural development or Girl Child Welfare Cronbach Alpha = 0.845, Mean value = 3.46					Special facilities for disabled people in the organization	.857	-.012	-.067	-.123
Supporting Self Employment Training Institute	.804	.120	.095		Employment to differently abled employees'	.823	-.037	-.108	-.079
Farmer welfare schemes	.802	.074	.155						
Training to farmers for improved irrigation	.797	.061	.141						
Campaigns against girl child infanticide	.796	.130	.125						
Constructions of toilets in villages/schools	.796	.177	.176						
Promote and support Women Health	.790	.045	.143						
Women Empowerment	.787	.008	.140						
Scholarship to girl students	.775	.170	.204						
Equal opportunity to women employees	.774	.111	.131						
Contribution to government schemes Cronbach Alpha = 0.715, Mean value = 3.50									
Integrated Development of Villages	.843	.106	.128	.137					
Swatch Bharat	.824	.104	.062	.167					
Rural electrification	.817	.128	.091	.132					
Free LPG connections to BPL families	.810	.142	.107	.207					
Pradhan Mantri Jan Dhan Yojana	.805	.145	.060	.084					
Janashree Bima Yojana	.795	.116	.003	.083					
Pradhan Mantri Mudra Yojana	.784	.171	.155	.129					
Clean Ganga	.781	.096	.068	.167					
Education Development Cronbach Alpha = 0.761, Mean value = 3.47									
Solar Panels at schools	.950	-.013	-.022	-.050					
Education of tribal children	.929	-.013	-.020	-.056					
Water Purifiers and school buses	.908	-.015	-.042	-.067					
Swachh Vidyalaya Abhiyan	.901	.019	-.024	-.041					
Sports and Skill Development Cronbach Alpha = 0.847, Number of Statements = 4, Mean value = 3.18									
Gym, parks and sports centres	.951	.029	-.015	-.051					

Table 1 shows the results of the component matrix with Varimax rotation and total eight components were extracted in the study which successfully represent the dimensions of CSR. These eight dimensions of the CSR are mainly; Environment and Natural Resources, Women Welfare and rural development or Girl Child Welfare, Minority groups and Disabled People, Community Development and Health, Education Development, Employees Welfare, Sports and Skill Development, and Contribution to government schemes. Out of these eight dimensions Community Development and Health was found to be most active area where all the companies are working under CSR purview, while sports & skill development is least preferred area for the companies to work upon under CSR activity. Next section discusses about the comparative analysis of the CSR performance of developed and developing countries using independent sample t-test method.

Results showed that the developed countries are performing better than the developing countries only in two main areas of CSR; one is Minority groups and Disabled People and other is Sports and Skill Development.

Table 4: Comparative Analysis

Dimensions of CSR	Developing Countries		Developed Countries		t-test	p-value	Decision
	Mean	S.D.	Mean	S.D.			
Environment and Natural Resources	3.29	.809	3.38	.769	-1.026	.306	Accepted
Women Welfare and rural development or Girl Child Welfare	3.45	0.909	3.48	0.869	-.334	0.739	Accepted
Minority groups and Disabled People	3.64	0.787	3.57	0.883	.651	0.516	Accepted
Community Development and Health	3.70	0.827	3.89	0.693	-2.229	0.027	Rejected
Education Development	3.43	1.09	3.52	0.979	-.753	0.452	Accepted
Employees Welfare	3.60	0.869	3.71	0.821	-1.063	0.289	Accepted
Sports and Skill Development	3.19	0.879	3.17	0.959	.234	0.815	Accepted
Contribution to government schemes	3.46	0.922	3.54	0.871	-.798	0.426	Accepted

For both of these dimensions of CSR the mean value of developed countries was found to be higher than the developing countries. But if we look at the significance of the difference in the mean values of the developed and developing countries it was found that the difference is insignificant based on the value of t-test. Hence, it signified that both the developed and developing countries are performing equally in the area of CSR related to the Minority groups and Disabled People and Sports and Skill Development. Further, it was observed that the mean value of the developing countries was found to be higher than developed countries related to rest of the six dimensions namely; Environment and Natural Resources, Women Welfare and rural development or Girl Child Welfare, Community Development and Health, Education Development, Employees Welfare, and Contribution to government schemes. Results of independent samples t-test showed that the null hypothesis which states that there is no significant difference in the CSR activities of the developed and developing countries got accepted for all the CSR dimensions except for Community Development and Health, for which null hypothesis got rejected. Hence, overall it can be said that the developing and developed countries are both doing similar kind of efforts in the CSR areas except for the community development and health. Developing countries are performing extreme efforts to improve the status of the members of the community members, by providing all the development opportunities to the people and taking care of their health.

CONCLUSION

It can be concluded from the analysis that CSR activities are largely adopted by large sized companies. Among the top three Indian cities of Kolkata, Mumbai and Delhi, majority companies indulging in CSR in this survey were based in Kolkata. The data collected in the survey is reliable and passes the KMO and Bartlett's test. In terms of intensity of CSR activities, it is conclusive that overall the data, number of variables and the sample size is adequate and suitable for applying factor analysis. Through the principal component analysis, eight factors that represent dimensions of CSR were extracted by the study. The data analysis includes a look into the intensity of CSR activities in relation with developed and developing countries both. It has been found that majority companies partaking in CSR activities prefer to do so in developing countries rather than developed countries. Thus there is an overall higher intensity of CSR

activities in developing countries as opposed to developed countries. It can also be said that most areas of CSR saw companies working in favour of developing countries rather than developed countries.

Thus, CSR encompasses a plethora of thrust areas, which are considered important under the purview of the corporate sustenance in the dynamic, ever expanding and competitive in the nature. Every business corporation has the policy related to the CSR initiatives and they produce annual details regarding them. The corporations are required to report all the positive initiatives taken by them as the saviour of the environment and the enabler of growth as well as development. It is the responsibility of the government to make the corporations aware so as that there could be balanced growth in all the arenas of nations through endorsing partnerships, facilitating and mandating work in unison with each other and documenting the true crux of all the initiatives taken by them. It can act as a guiding force to steer the dimensions of functioning of numerous corporations irrespective of scale of operations by providing full impact on the local community, other business organizations, shareholders, customers and the environment as a whole.

Therefore, it is right to say that the business corporations are not just confined to the exploitation of the natural resources and engage in the design to increase their profits but to respond to the major gauntlets existing in the world by providing economic opportunities, giving economic benefits, enhancing productive capacity, bringing and enhancing human talent into the well paid jobs as well as into wealth on the application of its true core principles that is sustainability, accountability and transparency. The key to get the maximum revert to all the concerned stakeholders are to focus on developing effective and appropriate strategies so that investments and efforts could get the optimum outcomes. The design of CSR initiatives is supposed to be in such a manner that maximum indirect advantages in terms of brand viability and visibility, social capital gain, long term community development, network building and national development. The efforts at all the levels are coordinated in such a way with the participation of the stakeholders, companies, individuals and government by utilizing the resources precisely, minimizing the duplication, creation of valuable living and attain development goals. Strict adherence to all the substantial aspects become mandatory on the part of the corporations to act as a steering force in the devising the wheel of development by focusing on the multiple

relevant fields, which are connected the them. It is beneficial to the corporations, public, environment, government, nation and the economies around the world.

LIMITATIONS AND FUTURE SCOPE

Current study is limited to two countries only India and USA, while it can be extended to other countries as well. Further, the size and the ownership of the company has not been considered in the study, which can have an important impact on the CSR activities of the banks. Further, the amount and the area of CSR depends varies from company to company which has not been considered in the study.

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