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**International Journal on Research and Development - A
Management Review**

ISSN: 2319 - 5479

Volume 11 Issue 02, 2022

A Review of Corporate Social Responsibility Practices

Adonias Xuemin

Lecturer, Department of Structural Engineering, Male Institute of Management Studies, Maldives

Email: adonias.xuemin@mims-mv.org

Peer Review Information	Abstract
<p><i>Submission: 05 July 2022</i> <i>Revision: 23 July 2022</i> <i>Acceptance: 11 Aug 2022</i></p>	<p>Corporate Social Responsibility (CSR) has emerged as a critical managerial and strategic concept that emphasizes the responsibility of businesses toward society, the environment, and multiple stakeholders beyond shareholders. Over the past few decades, CSR has evolved from philanthropic activities to an integrated strategic approach embedded within organizational policies and practices. This review paper synthesizes major theories, models, and practices of CSR, including stakeholder theory, legitimacy theory, triple bottom line, and shared value perspectives. It examines the evolution of CSR practices across industries, evaluates their impact on organizational performance and societal outcomes, and highlights implementation challenges. Through a comparative analysis, the study identifies key dimensions of CSR and discusses contemporary trends such as sustainability reporting, ESG integration, and digital CSR. The paper concludes by emphasizing the need for strategic, measurable, and transparent CSR practices to ensure long-term business sustainability and social legitimacy.</p>
<p>Keywords</p> <p><i>Corporate social responsibility, sustainability, stakeholder theory, ESG, ethical business, triple bottom line</i></p>	

Introduction

Corporate Social Responsibility (CSR) refers to the ethical obligation of organizations to contribute positively to society while conducting profitable business operations. Traditionally, firms were viewed primarily as economic entities responsible for maximizing shareholder wealth. However, increasing social awareness, environmental concerns, regulatory pressures, and stakeholder activism have fundamentally altered this narrow perspective.

The origins of CSR can be traced back to the mid-twentieth century when scholars and practitioners began questioning the social impact of corporate activities. Bowen's early work emphasized the moral responsibilities of businessmen, laying the foundation for modern CSR discourse. Over time, CSR expanded beyond philanthropy to include responsible labor practices, environmental stewardship, consumer protection, and community development.

Globalization and technological advancement have further amplified the importance of CSR. Multinational corporations operate across diverse social and regulatory environments, making ethical conduct and social accountability essential for maintaining legitimacy. Corporate scandals and environmental disasters have reinforced the need for responsible governance and transparent business practices.

In contemporary organizations, CSR is increasingly linked to strategic objectives. Firms adopt CSR not only to fulfill ethical obligations but also to enhance reputation, manage risks, improve stakeholder relationships, and achieve competitive advantage. Concepts such as sustainability, Environmental, Social, and Governance (ESG) criteria, and shared value have integrated CSR into core business strategy.

Despite its growing importance, CSR remains a contested concept with diverse interpretations and implementation approaches. Organizations differ significantly in how they define, prioritize,

and measure CSR activities. Moreover, challenges such as greenwashing, lack of standardized reporting, and limited stakeholder engagement undermine the effectiveness of CSR initiatives. This review aims to provide a comprehensive overview of CSR practices by examining their theoretical foundations, practical applications, and outcomes. By synthesizing existing literature, the paper seeks to clarify the evolution of CSR, assess its impact on organizational and societal performance, and identify future research directions.

Literature Review

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Major CSR Theories and Models

- Carroll's CSR Pyramid
- Stakeholder Theory
- Triple Bottom Line (TBL)
- Legitimacy Theory
- Shared Value Approach
- Political and Institutional CSR

Comparative Table and Analysis

1. Comparative Table of CSR Models

Model	Focus	Strengths	Limitations
CSR Pyramid	Economic to ethical duties	Clarity	Oversimplified
Stakeholder Theory	Multiple stakeholders	Inclusivity	Complex
TBL	People, planet, profit	Sustainability focus	Measurement issues
Shared Value	Social + economic value	Strategic integration	Implementation risk

2. Comparative Analysis

A comprehensive comparative analysis of Corporate Social Responsibility (CSR) models reveals significant variation in their conceptual foundations, scope, and managerial implications. Early CSR models, such as Carroll's Pyramid,

conceptualize responsibility as a hierarchical structure where economic responsibilities form the base, followed by legal, ethical, and philanthropic obligations. This model offers conceptual clarity and pedagogical simplicity, making it widely adopted in academic and managerial contexts. However, its hierarchical nature has been criticized for implying that ethical and social responsibilities are secondary to economic objectives, which may not align with contemporary sustainability expectations.

Stakeholder theory broadens the scope of CSR by recognizing that firms are accountable to a wide range of stakeholders, including employees, customers, suppliers, communities, and governments. This approach emphasizes inclusivity and ethical decision-making and provides a normative foundation for CSR. Nevertheless, its practical application is complex, as balancing conflicting stakeholder interests often leads to ambiguity in strategic prioritization and performance measurement.

The Triple Bottom Line (TBL) framework represents a significant shift toward sustainability-oriented CSR by integrating economic, environmental, and social performance. This model aligns closely with global sustainability agendas and ESG frameworks. Its primary limitation lies in measurement challenges, as social and environmental outcomes are often difficult to quantify and compare across organizations and industries.

Strategic CSR and shared value models integrate social responsibility directly into competitive strategy. By aligning social problem-solving with value creation, these models enhance the long-term viability of CSR initiatives. However, critics argue that such approaches may instrumentalize social issues and risk marginalizing ethical considerations when immediate economic returns are not evident.

Legitimacy and institutional theories view CSR as a response to societal norms, regulatory pressures, and expectations. While these models explain why firms adopt CSR practices, they are often criticized for enabling symbolic or superficial CSR, commonly referred to as greenwashing.

Overall, the comparative analysis suggests that **no single CSR model is universally sufficient**. Effective CSR practice increasingly requires a **hybrid approach** that integrates ethical responsibility, stakeholder engagement, sustainability performance, and strategic alignment.

Discussion

The growing importance of CSR reflects broader transformations in business–society relationships. Organizations today operate in environments characterized by heightened transparency, digital scrutiny, and stakeholder activism. As a result, CSR has transitioned from a peripheral activity to a strategic imperative influencing organizational legitimacy and competitiveness.

One of the most significant developments in CSR practice is its integration with corporate strategy and governance. Firms increasingly embed CSR into mission statements, risk management processes, and performance evaluation systems. This integration enhances alignment between corporate objectives and societal expectations, contributing to long-term value creation. Empirical evidence suggests that firms with well-integrated CSR practices often experience improved reputation, employee engagement, and customer loyalty.

However, the discussion also highlights persistent challenges in CSR implementation. Measurement and reporting remain critical issues, as organizations struggle to quantify social and environmental impacts consistently. While frameworks such as the Global Reporting Initiative (GRI) and ESG metrics have improved transparency, the lack of universal standards limits comparability and credibility.

Another major challenge concerns the **authenticity of CSR practices**. The rise of greenwashing and symbolic CSR undermines stakeholder trust and raises ethical concerns. Firms may adopt CSR initiatives primarily for reputational benefits rather than genuine social impact. This tension underscores the need for stronger governance mechanisms and third-party verification.

CSR practices also vary significantly across regions and industries. In developing economies, CSR often focuses on community development and social inclusion, whereas firms in developed economies emphasize environmental sustainability and governance. Cultural, regulatory, and institutional differences shape CSR priorities and implementation approaches. Digital transformation has further reshaped CSR practices. Social media platforms amplify stakeholder voices and increase accountability, while digital technologies enable real-time monitoring of environmental and social performance. At the same time, digitalization introduces new ethical challenges related to data privacy, algorithmic bias, and digital inclusion.

Overall, the discussion underscores that CSR is no longer optional or symbolic. Instead, it is a **dynamic, strategic process** requiring

continuous engagement, measurement, and adaptation.

Conclusion

This review provides a comprehensive synthesis of Corporate Social Responsibility practices by examining their theoretical foundations, practical applications, and evolving role in contemporary organizations. The analysis demonstrates that CSR has undergone a significant transformation—from philanthropic and compliance-based activities to strategically integrated and sustainability-oriented practices. The review confirms that traditional CSR models remain valuable for conceptual clarity, yet they are insufficient to address the complexity of modern business environments. Contemporary organizations must navigate diverse stakeholder expectations, regulatory pressures, and global sustainability challenges. As a result, CSR practices must be flexible, context-specific, and strategically aligned.

A key conclusion is that **effective CSR creates mutual value** for both organizations and society. Firms that embed CSR into core decision-making processes are better positioned to manage risks, build trust, and achieve long-term resilience. However, achieving these outcomes requires genuine commitment, transparent reporting, and robust governance structures.

The study also highlights the increasing convergence between CSR, sustainability, and ESG frameworks. This convergence reflects a broader shift toward accountability and long-term value creation. Nevertheless, challenges such as inconsistent metrics, greenwashing, and limited stakeholder engagement continue to undermine the effectiveness of CSR initiatives.

From a managerial perspective, the findings emphasize the importance of moving beyond symbolic CSR toward measurable and impact-driven practices. Managers must adopt integrated frameworks that balance economic objectives with social and environmental responsibilities. Stakeholder dialogue, performance evaluation, and continuous learning are essential components of effective CSR management.

From an academic perspective, this review identifies several avenues for future research. These include empirical studies on CSR impact measurement, the role of digital technologies in CSR governance, and comparative analyses of CSR practices across institutional contexts. Greater interdisciplinary research is needed to capture the complexity of CSR and its societal implications.

In conclusion, CSR represents a critical mechanism through which businesses contribute

to sustainable development and social well-being. Its effectiveness depends on strategic integration, ethical commitment, and continuous adaptation to evolving societal expectations.

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