

Corporate social responsibility in the era of globalization: Balancing profitability and sustainable practices

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ABSTRACT

The main purpose of this study is to observe the order and urgency of various dimensions & indicators used for expression of corporate social responsibility (CSR), specific to Carroll's pyramid. Quantitative technique was applied through content analysis to measure the variables of the study within corporations operating in Pakistan. It was observed that enterprises in Pakistan prioritize the economic and legal activities (as expected), however, unlikely, the ethical dimension was least disclosed as compared to philanthropic. CSR's indicators relevant to financials, customers/products, human resource and environment were disclosed more; however, sport was almost ignored by all the enterprises. In addition, a minute but gradual increase in the level of CSR was noticed in the sample period. Due to irregular patterns, this study signals that CSR is not a universal phenomenon which was judged by applying Carroll CSR's pyramid. Local institutions (formal and informal) should set together, develop mutual consensus about the concept of CSR and establish a win-win situation, which is acceptable to stakeholders and corporations simultaneously.

Keywords:

Corporate social responsibility;
CSR's pyramid; content analysis;
Pakistan.

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1. INTRODUCTION

In modern time of globalization, corporations are bound to achieve the bottom-line (profit) by satisfying the demands of present generation while preserving the resources for next generation (Babalola, 2012). As a result, due to the existence for not only the economic activities, corporations have the tendency to involve in social and ethical activities, which is acceptable not only for corporations but for all stakeholders. Corporate social responsibility (CSR) is organizational obligation as a result of corporate impressions and actions that impact the social values, ethical standards, legal regulations and other aspects. According to Frederick W. C. (1960), the business communities should have the responsibility to enhance the social and economic value simultaneously. Corporations should have to behave in such a way which is acceptable to the larger public of the community. The Friedman (1970) was in the view that the only responsibility of the business is to earn the financial gain for the investors and owners. If there is no profit, the corporations will never spend their money on other non-business activities, i.e., CSR. Even if the profit is generated but not satisfactory, the corporation will never share their portion of revenue with non-shareholders. Steiner (1971), classified CSR into three categories (social obligation, social responsibility and social responsiveness) and eight different dimensions (search for legitimacy, ethical/norms, social accountability for corporate actions, operating strategy, response to social pressures, activities pertaining to governmental actions, legislative and political activities and philanthropy). The British East India Company was the first multinational enterprise (MNE), founded in 16th century, had engulfed almost half of the world's business at that time in many sectors. In the beginning of this century, European Union launched a program to bring the corporations within the boundaries of sustainable operations. Formal efforts at standardized corporate responsibility reporting began in the early 1990s. In 1991, seven companies had published sustainability reports and much of the reports focused was on the environment. The reporting trend has since transformed itself, addressing not only environmental issues, but also economic and social performance, now also referred to as the "triple bottom-line." As of October 2005, 714 firms report in accordance with or with reference to the Global Reporting Initiative (GRI); and more than 2,500 firms worldwide published some type of stand-alone report on citizenship, sustainability, environmental and/or social concerns (Layzer Sherwood, 2006). Later on, European Commission (2011) adopted CSR related policy for the next three years. However, they did not provide any specific format for implementing and reporting CSR activities.

Williams (2004) argued that Global Compact (GC) reveals changes in societal beliefs of corporate liabilities in the modern age of globalization.

Lilian Julius Kishimbo (2016) concludes different CSR practices and activities from various research studies in developing countries, e.g., law compliance, ethics and corporate governance, labor welfare, community support, disaster relief, small and medium enterprises (SMEs) empowerment, quality products, philanthropy, environment, health and education. Munaza et al., (2013) concluded CSR activities conducted by different corporations operating in Pakistan. These includes but not restricted to: nutrition awareness, drinking water filtration plant, safe driving, environmental protection, poverty alleviation, occupational safety and health, rations packs, education, literacy, supporting local government (building infrastructure), community development, and so on. During 2nd decade of independence, Pakistan achieved a distinguish position in economic development by initiating and growing thousands of enterprises across the country. Unfortunately, Pakistan did not enjoy this distinguish position for long time and lost its political position in early stage and trapped in military rules. In late 80s, Pakistani economy was badly affected by Afghan war, the economic and security situation was worst and still Pakistan are reaping the "fruit", even after more than 40 years. Since that, the economy is under the mercy of international lending institutions, i.e., World Bank and IMF. The economy of Pakistan ranks on 24th position globally in term of purchasing power parity, and 42nd in term of GDP. According to ministry of finance Pakistan (2016), per capita GDP is \$1,629, placing it on 147th position globally. More than one third of Pakistani economy is not documented while calculating the per capita GDP (Bloomberg). Malcolm (2006) claimed that Pakistan has the potential to be as one of the upcoming eleven world's largest economies in current century. Formal institutions are written and well managed documents which has formulated under the legal and legislative system of the country, it includes state's rules and regulations, business community and corporate union and so on, while the informal institutions are the unwritten code of conduct within society to be obeyed within the given context; includes social norms, religious values and customs and traditions etc. These forces are raised from the political, social economic, religious and legal settings of the country, therefore, its essential to examine these institutional dynamics. The domain of CSR operation is mainly restricted to discourse the domestic issues (e.g., poverty, food, shelter, health) in case of developing countries (UNECA, 2011, p. 81).

This study is unique than other previous studies. Firstly, unlike other studies, it will focus on the micro-CSR's indicators, along with the macro dimension. Secondly, the Carroll' CSR pyramid will be revisited and examine the contextual meaning in case of developing countries. Thirdly, ground data (extended) will be gathered and analyzed to draw a specific CSR shape based on various theories. Fourthly, maximum sample has been

taken from various cluster operating within Pakistan and registered in Pakistan stock exchange, which have more influence and visibility, to present a unique and general CSR's pattern for further research. The ethical dimension is often overshadowed by economic and legal considerations due to limited regulatory enforcement, lack of awareness, and low stakeholder pressure in Pakistan. To address this, corporations can integrate ethical training programs for employees, establish independent monitoring bodies, and conduct public awareness campaigns. Furthermore, policymakers should promote ethical business practices through stricter regulations and incentives for compliance. Embedding ethics in corporate strategies will enhance transparency, accountability, and stakeholder trust.

2. LITERATURE REVIEW

2.1 Why CSR?

As discussed earlier, CSR has a wide scope and involved number of dynamics, ranging from quality products to environmental protection. Therefore, the involvement in CSR activities may help to minimize the risk in corporate operation, which is one of the most important needs of modern time. In modern era, all the enterprises are supposed to be involved in observing various CSR dynamics; environmental protection, employee's wellbeing, moral operation, community development (Jaiyeoba et al., 2018). It is evident from CSR literature that corporations can achieve number of corporate advantages while executing CSR activities, both in developed and developing countries. Corporations can attain the status of competitive advantage over counterparts while involving in CSR activities (Pienaar, 2010). It's not only building a good image in the eyes of the buyers but also creates credibility and reputation within all groups of stakeholders. Such type of corporate reputation is very fruitful in getting the social and legal legitimacy, especially while entering a new market. These days, the firm's performance of an enterprise is not only subjected to economic activities, but generating shared value which involve other activities, e.g., organizational and interpersonal interaction, human relationship (Porter and Kramer, 2011). Consequently, modern corporations are on new corporate track to be socially answerable and organize their corporate imprints for sustainable operation for today and for next generations. Enterprises are required to equip themselves for involvement in CSR activities which can not only safeguard them in involving unethical operation but also maintain a corporate reputation based on universal principles. In short, CSR can play a major role in the race of competition.

Issues related to society, human and environment are more susceptible in developing countries (Visser, 2009). Violation of labor laws, environmental degradation, corruption, and the vulnerable community may affect the corporate activities, especially in developing countries. On the other hand, these types of issues (if any) are well addressed by the local institutions. Therefore, resolving of these local problems is supposed to be the primary responsibility of the corporations working in that locality. Due to information technology, the general public are getting awareness and thus their expectation from corporations are increasing to contribute more for the wellbeing of this planet. Therefore, enterprises have left no choice but trying to balance the financial performance and the stakeholders' demands. In this regard, in addition to CSR involvement, the disclosure of CSR information and intensity directly affect the corporate ethical operation which ultimately ensure the social legitimacy (Slack and Munz, 2016). In this regard, enterprises should upgrade the corporate moral standards for improvement in corporate information. As a result, this will build corporate trust and act a useful tool to maintain the transparency among all stakeholders (especially strong and active). Gray et al (1995) observed the importance of CSR information, such as: 1) evaluate the social and economic impact of corporate operation; 2) assess the efficiency of corporate social and environmental programs; 3) social and environmental information disclosure; 4) obtain information for overall sustainable evaluation on the basis of utilizing corporate resources. Therefore, corporations are supposed to disclose maximum information about their conducted CSR activities in all channels (annual reports, newsletter, media, etc.) to minimize the negativity and build a positive image among the stakeholders for attaining the status of legitimacy. Basically, the modern CSR is the new shape of old form of donation which ensure both social and corporate advantages (Cochran, 2007). This association build a strong bond with the stakeholders; thus, maintaining harmony between the society and corporation. The involvement in CSR activities reflects corporate consent that corporations exist not only for economic activities but also for an everlasting relationship, beneficial for the planet.

Generally, the enterprises will strive to maximize their financial returns in any way; however, other factors (stakeholders) will enforce them to involve in other activities which is beneficial for society and thus a win-win relationship is established between enterprises and stakeholders. Most

of the corporations have already recognized that involvement in CSR activities are the essential elements of corporate operation. Acknowledging the CSR's importance from enterprises signal that they are sensitive about the outer community and well aware of corporate impact. Besides, the stakeholder's viewpoint playing a vital role which can pressurize the corporation to amend their strategies for creating the social values. CSR concept bound the business community to endorse specific obligations which are beneficial for the general public and overall community. In short, the execution of CSR guarantees that enterprises are trying their best to fulfil various standards (e.g., ethical, commercial, social, legal); and thus, overall stakeholders' expectations (Welbeck et al., 2020). Due to CSR, enterprises have commenced number of developmental projects to assist in education, health, employment and other community uplifting programs in vulnerable societies. Enterprises can get corporate benefits in various ways through disclosing CSR information; however, it might be a tough job in case there are conflicts with various stakeholders, and they expect more (Porter and Kramer, 2002; Carroll, 1991). In addition, the urgency and priorities of these stakeholders are not identical at any point. For example, buyers may want ethical dimensions that enhance product quality, but general public may be in favor of donation and other volunteer action beneficial for society. The relationship between the CSR cost and firm performance has been studied by many scholars. The outcome of these activities is different in various countries, sectors, and types of operation. In addition, these studies have been conducted under number of different theories and taking different indicators for measuring the CSR dimensions and thus used different techniques. As a result, the findings are not unified, claims that CSR is not a universal concept. Generally, the consequence of CSR should be always positive; however, sometimes it leads to agency conflicts due to dishonest corporate managers, who manipulate financial output by mixing with CSR to attain stakeholders' sympathy.

2.2 CSR's scope

It is presumed that the CSR concept and individual CSR's indicators has been evolved gradually, e.g., environmental related dimension was initially focusing only on 'pollution control' and so on. Based on these prepositions, various CSR's dimensions were assigned and thus prioritized accordingly with the help of different theories by different scholars. In recent time, corporations are not only responsible for improving tangible corporate characteristics for customers, employees but also for intangible features, such as innovation, product security, environment preservation, reputation and other potential features. All these characteristics fall in CSR's domain which have direct or indirect association with the wellbeing of stakeholder(s) and corporations itself. However, unlike other financial factors, corporate negativity and even other intangible features are difficult to measure and calculate. For this reason, corporations perform various activities and thus disclose to their stakeholders to diminish the corporate irregularities. The involvement in these intangible activities and disclosure of information are supposed to initiate/enhance the ethical and moral corporate operation due to transparent governance (Corvino et al., 2019). In other words, the motive behind ethical operation may have some linkage with the education, corporate culture, board members and other external factors (stakeholders' awareness and pressure).

Comparatively, the phenomenon of CSR was highlighted more than any other issue in recent time due to its nature of implication in many academic fields (e.g., management, economics, finance and engineering) (Cooke & He, 2010; Shanmugam, 2013) and corporate sectors (e.g., energy exploration, financial institutions & manufacturing) (Aguilera et al., 2007; Heinrich, 2017). The concept of CSR has extended the corporate scope from shareholders circle to all stakeholders, that are affected by the corporate operation (Maqbool and Zameer, 2018). The reason is that corporations should pay back to the society from where they get huge economic benefits. Basically, CSR's literature highlights the universal ethical standards by educating the stakeholders and corporate's willing to work together in harmony and bring global prosperity, economic and social progress. In spite of these studies, there are only a tiny information regarding the dynamics which affect the corporations to formulate and implement CSR action. These shortcomings form a base for shaping concrete guidelines and procedure, especially in developing countries. Puukka (2008) states that academia can play their roles in improving three fundamental dynamics: economic performance, environmental performance and social performance. By incorporating business ethics and moral values in courses contents, academia can play active role to encounter social, economic, and environmental challenges, and achieve the social development (Setó-Pamies and Papaoikonomou, 2020). Craig and Amernic (2002) stated that the current education system is a beneficial mechanism to teach the thinking process and know about things; however, it lacks the techniques to teach how to do things. Is there any importance of students in the process of CSR in developing countries? Why is it crucial to educate the youth to encounter the social issues (national and

international)? What is the role of education system in creating CSR's awareness? Does the CSR's pattern remain identical across the borders (cross-culture)?

Carroll (1991) defined CSR in more comprehensive way which is more logical and recognized universally, by introducing four CSR's dynamics in proper order (economic, legal, ethical and philanthropy); termed "CSR's pyramid". These dimensions are prioritized, linked with each other's, and one can't jump to next stage without fulfilling the previous stage. According to CSR's pyramid, the basic responsibility of a corporation to achieve economic benefits, following the rules/regulations, observe the local norms/values and assist the vulnerable people financially. Number of enterprises implement this pyramid to execute CSR activities. In true sense, every organization should endorse all these 4 dimensions of CSR's pyramid from inception (Dusuki et al., 2008). Number of researchers challenged and reshaped this pyramid; however, the basic dimensions and orders are still applicable in academia and used in CSR studies. Due to wide range of CSR dimensions, corporations are not only supposed to payback in term of donation and charity but also involve in other activities; beneficial for all stakeholders. In this regard, few questions should be answered to examine the exact meaning of CSR and ethical corporate operation. Is it sufficient to take only economic and financial factors to calculate the value of CSR? What are the factors that are hard to identify and evaluate? How can we bifurcate different indicators and thus link to CSR's dimensions? What should be the hierarchy of these dimensions? What is the extent of external pressure and internal capacity for CSR's formulation? How can we differentiate and prioritize various CSR's dynamics introduced and implemented in developed countries? Is CSR a universal phenomenon? Why CSR's theories are contextual? The study acknowledges the limitation of focusing solely on Pakistan Stock Exchange-listed companies. Future research will expand the sample to include SMEs and unlisted firms, which may have unique CSR practices. A preliminary analysis suggests that SMEs prioritize community-focused initiatives over formal disclosures, differing from larger corporations. This inclusion will provide a more holistic view of CSR in Pakistan.

2.3 Theoretical framework

Although CSR has one of the most researched topics but still lacking the concrete definition (Pratihari and Uzma, 2018). Now a days, CSR includes all those activities that is conducted for the welfare of society in moral ways which enhance the positive impact and annihilate negativity within corporate surrounding (García et al., 2005). Developing countries learned CSR practices from western countries; however, there is a huge gap between the institutional settings (political, social, economic, legal, etc.) in these countries. The process and procedures shaped for developed countries may not be applicable in developing countries context (Young et al., 2008). Therefore, the structuring and implementing of CSR theories is debatable; applied in different location. Social dynamic can positively enhance the competitiveness of the business in the local region of operation. In addition, the small businesses measure the internal strength of resources and external activism of the stakeholders. It is generally agreed that the corporate performance is dependent on the local systems and institutional power (economic, political, social, etc.). In this regard, it is very important to understand the strength and intensity of these forces. Institutional forces are the combination of formal factors; such as, rules, regulations, norms and procedures within given context (North, 1990); and informal elements substantiate the behavioral and cultural dynamics (Deephhouse, et al., 2016). Collectively, institutional forces are the combined effect of formal and informal actions which organize the overall interaction in given society. Enterprises are supposed to adopt the standards of the locality where they operate. In other words, corporations are not supposed to influence these dynamics but should surrender in front of these forces. By doing so, these enterprises can get social license and status of legitimacy from the community where they are operating. The complex nature of CSR can also be linked to neo-institutional theory; portrays the corporate and social domains (Brammer et al., 2012), and describes the factors that compel the corporations to involve in CSR activities (Fernando and Lawrence, 2014). In this way, the Freeman's (1984) stakeholders theory has much contribution for defining and explaining the limits and scope of both corporations and stakeholders. According to Jenkins (2006), stakeholders should be supposed as the primary elements in the process of CSR execution. Homburg et al., (2013) recently simplified the CSR concept in the sphere of stakeholder's theory; urged that corporations should voluntarily incorporate the stakes of wider stakeholders in their corporate operation. In addition, Murillo and Lozano (2009) emphasis on involving in CSR actions as the society has the power to issue and withdraw the status of legitimacy. Carroll (1991) stated that a suitable bond exists between the CSR and corporate stakeholders.

Basically, CSR's pyramid is constructed on stakeholders' theory which claims that the corporate operation is only possible when there is a

strong relationship with numbers of important stakeholders (Carroll, 1991). Apparently, philanthropic dimension is diverting corporate resources that are necessary for smooth operation. However, involvement in other activities (e.g., legal and ethical), that are different than philanthropic dimension of CSR's pyramid (1979, 1991), can build the confidence and trust among employees and buyers, with the arguments that involvement in such partitivities can fulfil the local needs and should be executed in corporate policies. CSR's pyramid has been observed and endorsed by number of researchers (e.g., Wang and Berens, 2015; Fatma et al., 2015) in their CSR studies. This pyramid basically prioritizes the importance of different needs and urgencies of the local community and corporations at the same time. Economic dimension is about corporate production, which is the main responsibility of any corporation, thus involved buying and selling for the purpose of making financial return. Economic dimension is chased by the legal and ethical respectively, claimed by the stakeholders in the same order. Philanthropy is the last layer of pyramid and considered as one of the most important and indecently volunteer activity (Wang et al., 2008). This dimension includes all types of donations and other charity executed for the community support in various projects related to education, culture and minorities (Godfrey, 2005). As discussed, CSR' pyramid was used in number of studies, however, most of current studies based of the concept of triple bottom line (TBL), consists of three elements, e.g., economic, social and environmental (Vilanova et al., 2009; Santos, 2011). Although Carroll classified the overall CSR in four dimensions but the demarcation among them is not as simple. Charity and donation are considered to be a mutual relationship of 'giving and taking' between the corporation and stakeholders; where corporation injects finances, and the stakeholders scarify time and efforts (Acs, 2013). Due to globalization and open market, enterprises are working in different place than home market; thus, they are exposed to uncertain situation due to system's differences.

3. METHODOLOGY

The outline is very important in any study and the origination of practical research. Research design includes the logic behind data gathering, calculation and analyzing the variables in a systematic way to answer the research questions. This study examined those enterprises operating in Pakistan and registered in Pakistan stock exchange (PSX). These organizations were selected based on the 'best CSR performer' along with other indicators, announced every year by Security Exchange Commission of Pakistan (SECP). Other regulatory bodies were also contacted or visited their websites for collecting the concern data, for example Stock Exchanges, ministry of finances etc. Small and unregistered enterprises were not selected due to the reason that CSR activities are not generally conducted in these types of enterprises (Soundararajan et al., 2017). Only those enterprises were selected which have complete data for sample period (2016-2020). Finally, 59 enterprises were selected which comprised of thirteen (13) industries, categorized in various sector as per their specific function. These are: media (3.4%), chemical/fertilizers (10.2%), automobiles (5.1%), food & personal care (10.2%), exploration & production (11.9%), engineering (6.8%), manufacturing (11.9%), banking & financials (8.5%), consumer products (6.8%), fuel/energy (10.2%), logistics (3.4%), insurance (5.1%), and construction (6.8%). In addition, 42% of them are MNEs and 58% are SMEs. Both, controlled and uncontrolled channels were used for data collection. Controlled channels are those which are owned or managed by the organization and vice versa. These includes but not only corporate websites, press release, annual reports, corporate newsletter, brochures, news, expert blogs and newspapers etc.

To clarify, CSR disclosures were analyzed using a content analysis approach, categorizing them into Carroll's CSR pyramid dimensions: economic, legal, ethical, and philanthropic. A weighted scoring system was applied, prioritizing dimensions based on their prevalence in corporate reports. For instance, financial and environmental dimensions were given higher weights due to their dominant representation. Data was coded manually by a team of experts to ensure accuracy. Including this explanation in the methodology section will enhance the study's replicability and credibility. Literature review (past studies) and content analysis (CA) was used for data gathering and measurement. The CA was conducted for deductive approach, as the indicators for measuring CSR level were already defined and pre-established. According to Krippendorff (1980), CA is considered as the most effective and replicable process to extract the assumptions from the given information. Bowen (2009) defined that CA is a technique to organize the available data in various classes according to predefined indicators relevant to the main questions of the study. CA is the procedure which is used for recognizing and classifying of the information assigned for a specific event (study). Number of other researchers (e.g., Burton and Goldsby, 2009; Schmidt and Craicu, 2018) have applied this technique in their CSR studies. Total 13 indicators

were borrowed from literature to measure the variables of this study. Out of these 13 indicators, 3 indicators were assigned to economic dimension; financials, customer/production and investors, philanthropic dimensions comprised of 5 indicators, in addition to legal (4) and ethical (1). Total 24,073 pages were scanned against the above-mentioned indicators. At first, binary technique was applied in case of availability (1) or unavailability (0) of required information. Then, sentence was taken as a unit for measuring the CSR information, as per the previous studies. These indicators were quantified with a scale of different values, which was introduced by Aupperle et al. (1983).

4. ANALYSIS & DISCUSSION

Figures 1a and 1b show the pattern of CSR's pyramid and level of individual CSR's indicators respectively. As expected, CSR's dimensions are leading by economic (38%) and legal activities (36%); however philanthropic (21%) activity surpasses the ethics (5%). Similarly, CSR information regarding financials, human resource, environment, customer/products and community disclosed more; however, information regarding sports, government and charity were less disclosed by the enterprises operating in Pakistan.

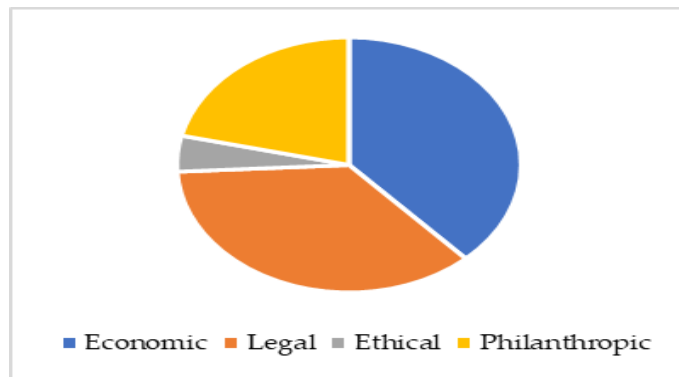


Figure 1a: Overall CSR pyramid's layer

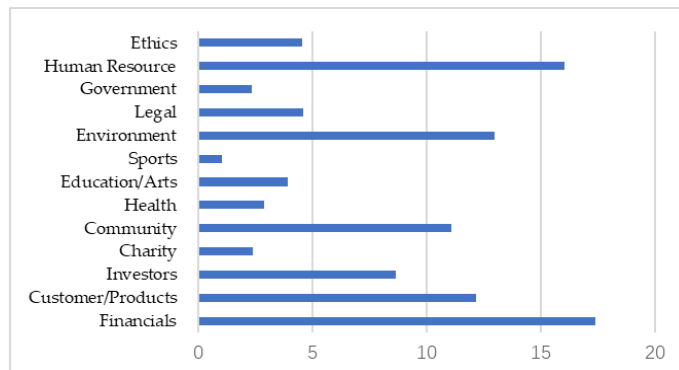


Figure 1b: Overall CSR's indicators

Figures 2a and 2b express the level of total CSR and CSR's pyramid's layers (sector-wise). Exploration/production and food & personal care industries outperformed in disclosing CSR; however, media and automobile industries disclosed the least level of CSR than other industries.

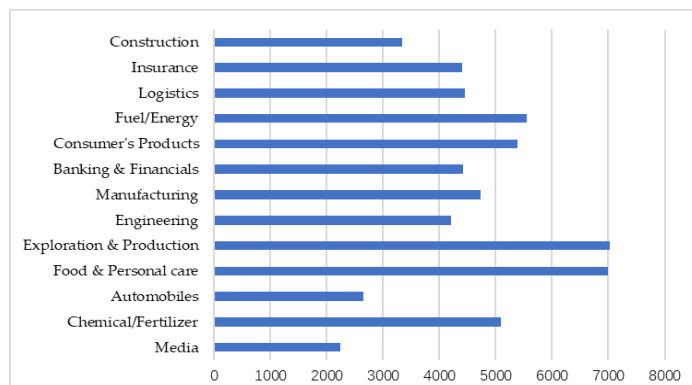


Figure 2a: Total CSR (Sector-wise)

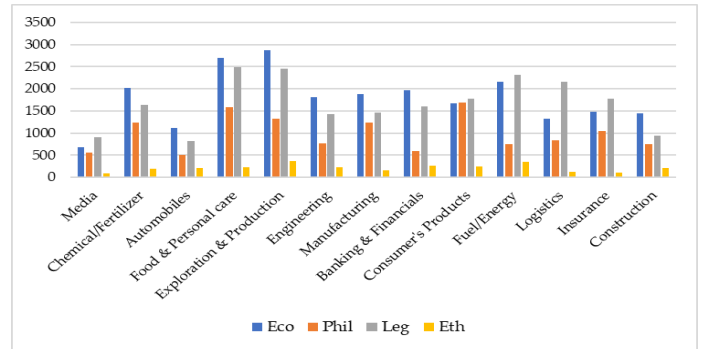


Figure 2b: CSR pyramid's layers (Sector-wise)

Figure 3a and 3b show the total CSR and the individual dimensions of CSR's pyramid by comparing MNE/SME and 5 years of the sample period respectively. MNEs and SMEs comprised of 59% and 41% of the total CSR disclosed by the enterprises for sample period. As discussed above, the economic and legal dimensions were prioritized; followed by philanthropic and ethical dimensions within both types of enterprises. In addition, a minute but gradual upsurge in total CSR was observed in following years, starting from inception (2016 to 2019), however there is a huge increase in the year 2020. A slight fluctuation (overall gradual increase) was found within all three dimensions (economic, legal and philanthropic) however, ethical dimension was almost static within given sample period.

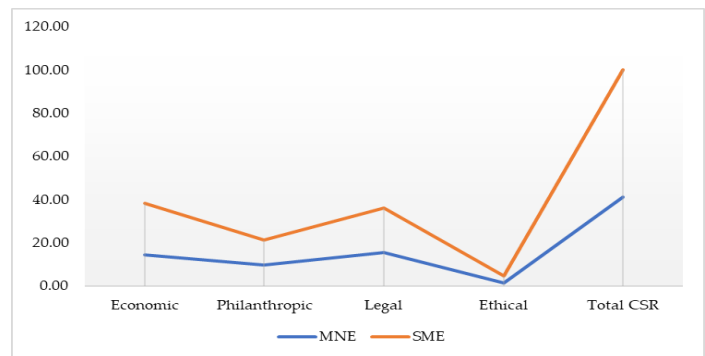


Figure 3a: MNEs VS SMEs (CSR' layers & total CSR).

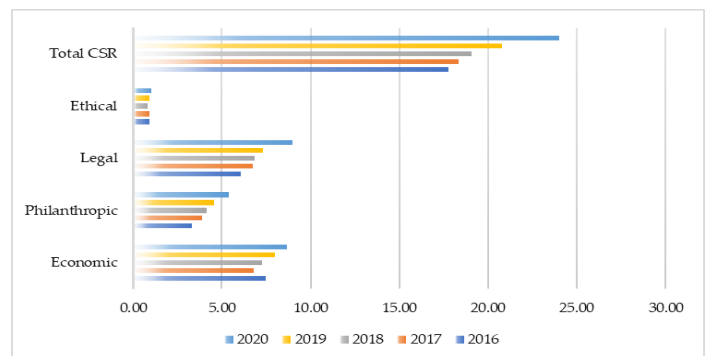


Figure 3b: Total CSR and CSR's dimensions (Yearly)

Table 1 concludes the individual CSR's indicators on the basis of sectors, industry type and years. On average, the prominent dimensions are financial, human resource, customer/products, and environmental dimensions. On the other hand, sport is the least documented CSR's dimension within the sample study. Reasonably, SMEs have an edge over MNEs while comparing the financial, customer/products and human resources indicators. Yearly, the individual indicators' trends are unpredictable and fluctuates during sample period, however, a visible increase was observed in final year of the sample period (2020) while comparing all the previous years.

Table 1: CSR's indicators (Sector-wise, industry types and year-wise)

	1	2	3	4	5	6	7	8	9	10	11	12	13
Media	0.3	0.1	0.6	0.2	0.3	0.1	0.2	0.0	0.5	0.2	0.1	0.8	0.2
Chem/Fert	1.2	1.5	0.6	0.3	1.0	0.3	0.3	0.1	1.0	0.3	0.3	1.2	0.3
Automobiles	0.7	0.4	0.6	0.1	0.3	0.2	0.2	0.0	0.7	0.3	0.1	0.3	0.3
Food/Per care	2.2	1.1	1.2	2.2	1.3	0.3	0.6	0.1	1.4	0.4	0.3	2.0	0.4
Expl & Prod	2.1	2.1	0.6	0.3	1.0	0.3	0.4	0.3	1.6	0.7	0.2	1.6	0.6
Engineering	1.3	1.3	0.4	0.2	0.7	0.1	0.1	0.2	0.5	0.6	0.2	1.1	0.4
Manufacturing	1.5	0.8	0.9	0.3	1.1	0.3	0.4	0.0	0.7	0.3	0.2	1.3	0.3
Bank & Finan	1.6	0.8	0.8	0.1	0.5	0.1	0.1	0.1	0.5	0.3	0.3	1.5	0.4
Cons's Prod	1.1	1.3	0.3	0.2	2.1	0.2	0.3	0.1	1.0	0.2	0.2	1.5	0.4
Fuel/Energy	1.7	1.0	0.8	0.1	0.7	0.2	0.3	0.0	1.2	0.6	0.2	1.8	0.6
Logistics	1.0	0.7	0.5	0.2	0.5	0.3	0.4	0.0	1.7	0.4	0.1	1.4	0.2
Insurance	1.2	0.8	0.4	0.1	0.9	0.4	0.3	0.0	1.6	0.3	0.1	1.0	0.2
Construction	1.3	0.2	0.8	0.1	0.6	0.2	0.3	0.0	0.5	0.2	0.2	0.7	0.4
MNE	6.5	4.7	3.1	0.9	5.6	1.2	1.6	0.4	6.2	1.7	0.9	6.7	1.6
SME	10.9	7.5	5.5	1.5	5.5	1.7	2.3	0.6	6.7	2.9	1.5	9.3	3.0
2016	3.5	2.5	1.5	0.4	1.6	0.5	0.7	0.1	2.0	0.7	0.4	2.9	0.9
2017	3.3	2.2	1.3	0.4	1.9	0.5	0.7	0.3	2.4	0.9	0.6	2.9	0.9
2018	3.1	2.4	1.7	0.4	2.3	0.5	0.8	0.1	2.2	0.8	0.5	3.3	0.8
2019	3.5	2.4	2.0	0.6	2.5	0.6	0.7	0.2	2.7	1.0	0.4	3.1	0.9
2020	4.0	2.6	2.0	0.6	2.8	0.8	0.9	0.3	3.6	1.2	0.5	3.7	1.0

Generally, corporations are concerned about the financial returns only and don't pay more attention to other aspects; environmental and social. According to Reverte (2016), CSR is basically an idea in which corporations take part in formulating economic, social and environmental dynamics. Carroll (1999) pointed out that the term CSR is more than just a concept, and a moral obligation which should be considered by the enterprises while conducting corporate activities. Corporate sustainable process is based on three pillars; environmental, economic and social (Gimenez et al., 2012), in which social factor is more important. Globally, scholars from every field think that implementing CSR activities is a universal yardstick for measuring the corporate benefits. The involvement in CSR activities and ultimately disclosing of information have become mandatory in most part of the world, especially in developed countries. As a result, enterprises are required to present CSR related information in their annual/CSR/sustainability reports for smooth corporate operation. Stakeholders can easily judge and conclude the corporate tendencies while reading corporate reports and other disclosed information. The involvement in CSR activities is not restricted to legal settings, therefore they hesitate to control such actions. However, corporations are executing various actions which is parallel to national and international standards. Overall CSR action portrays the comprehensive corporate operation conducted within its domain. These actions indicate the stakeholder's response which can be calculated statistically and predicted accordingly. In simple words, the more involvement in CSR activities, the more satisfied the stakeholders will be. As a result, the economic activity and firm performance is highly dependent on various CSR dynamics. The reason is its urgency and importance according to the local needs, stakeholders' priority and thus channel of communication and understanding level. For instance, Wang and Qian, (2011) found that involvement in charity/donation can generate quick results (corporate image); because its comparatively easy task; both in execution and disclosing.

Antonetti and Maklan (2016) conducted a study by linking the human's feelings with CSR activities. These authors highlighted the degree of individual's moral values while interacting the corporate unethical activities. Their study insights the judgement of corporate activities during a specific situation (human behavior). The concept of CSR enables the workforce of an organization to be ethical, unbiased and translucent about the stakeholders, participated and personified with the corporate obligation for society, and thus directly affect the cultural dynamics either successful or unsuccessful CSR (Barker, 2014). Globally, there should have a unified standards for CSR actions and reporting; endorsed by 3rd party to ensure its authenticity. Actually, CSR is a corporate technique that can be used for gaining firm value (corporate reputation/image) and social advantages for other stakeholders (Puentes et al., 2007).

This can only be possible if stakeholder exert pressure on corporations and compel them to behave ethically, observe legal standards and execute philanthropic activities parallel to striving for the financial performance. Enterprises also behave socially responsible to enhance the firm reputation and maximize profitability and minimize cost of production. The main problem is the lack of financial and human resources and lacking of skills and time. Many SMEs are unaware of their own CSR activities and they consider it is the responsibility of big corporations.

Despite of abundant research globally, the existence of 'the standard CSR' is still lacking. In this regard, this is very crucial to examine the 'best global or customized CSR approach' which is acceptable for people all over the world, especially in developing countries, where the literacy is low and institutions are weak. The execution of CSR actions is more important in developing countries than developed counterparts. The formal setup of CSR is in early stage in Pakistan, initiated in 2013 by SECP; which is called "Voluntary CSR guideline 2013". As the status of these guidelines are not mandatory, therefore corporations are free to avoid such type of "unnecessary" regulations. Therefore, the execution of CSR activities is not possible, especially in developing countries, if the corporations don't support the domestic legal setting. In simple words, merely the introduction of regulations by local institutions are of no use if the business community don't take it seriously. Therefore, the business world should have a corporate culture which encourage the "good deeds" and discourage the "bad deeds" while conducting corporate operation. The conclusion of CSR's pyramid suggests that the concept of CSR is not static and universal phenomenon. In other words, these dynamics are exposed to various forces in different time and places of the world, even in various types of corporate's setup. In the beginning (1960s & 1970s), it was considered as a general concept having number of dynamics (e.g., environmental, social, economic) which was later (1980s & 1990s) restricted to few specific corporate performance indicators. Carroll, (1979) stated that financial gain and labor issues are the basic responsibilities of any enterprise. In long term, other dynamics (e.g., social, ethical, environmental) should be executed for business prosperity and corporate image. In addition, Zheng et al, (2014) found that involvement in philanthropic dimensions can enhance the corporate reputation. Inoue and Lee (2011) states that every CSR's dimension has a unique impact of firm performance. One of the most well-known and commonly utilized triple bottom-line reporting models is the Global Reporting Initiative (GRI) Guidelines. For instance, Socially Responsible Investing (SRI) groups, Dow Jones Sustainability Index (DJSI), Global 100, UN Global Compact, The Global Reporting Initiatives (GRI) and KMPG International. The United Nations Global Compact (Global Compact) was formed in the year 2000, and consider as a well-known international initiative for global CSR standards (Cavanagh, 2004;

Williams, 2004). It includes 10 principles in the areas of human rights, labor practices, environmental issues and anti-corruption.

Every corporation is required to be run under specific rules and regulations defined by the management. Overall CSR and individual CSR dynamic is basically the pillars of corporate governance that manage the enterprises for attaining the corporate goals and stakeholders' demands. Corporations should execute moral and ethical values in overall corporate process as a strategic planning. They should ensure these standards in their workforce by conducting regular training. As a result, they will convey a clear message to the external stakeholders during operational and production phases. This process should be initiated by the corporation themselves and then pass them to other organizations in supply chain. Intellectual learning is helpful to enhance the human capacity and thus in case of CSR, which will then develop contemplative and personal development approaches. Unfortunately, like other developing countries, the legal setting and process is restricted only to "bookish" stuff; which is not implemented in true meaning. Legislative & law enforcement bodies and all other concerned institutions should take practical steps to enhance the awareness among stakeholders and implement such activities to extend CSR's circle. Like other corporate activities, involvement in CSR activities required financial budget and human resource; therefore, most of the enterprises (especially small and medium) think that they are unable to undertake such activities due to limited resources (financial and human) (Elhajjar and Ouaida, 2020). One of the misunderstanding of enterprises about CSR is they are using it merely for promotion and advertising rather than confirming the equilibrium among various dynamics (e.g., economic, social, ethical and environment). In this way, they can use it to buffer the corporate operations and thus amalgamate the corporate-stakeholders' association. In real meaning, CSR underscore various dynamics to essential frameworks, techniques and methods; that are important to endorse the stakeholders' orientation and mutual consideration to underline joint approvals of upcoming opportunities; beneficial for corporations and stakeholders.

5. CONCLUSION

Due to the increasing social and economic uncertainties, corporations are supposed to search new ways, frameworks and techniques for corporate survival (Jensen, 2018). In corporate operation the other businesses (supply chain) are the strong stakeholders which might affect the profit of the suppliers. Even if the suppliers implement or disclose CSR activities, still their visibilities are not seen by many stakeholders. The development and implementation of CSR concept by multinational enterprises of developed countries might be beneficial in developing countries context; the reason is that these enterprises will cultivate a culture of justified wages, proper working condition, health and insurance benefits, and pension scheme (Jamali., 2010). The involvement in CSR activities can ensure corporate values, however, there should be a proper bifurcation and assessment of various dynamics and their relationship with the firm performance; long term and short term. CSR can also be used as 'brand promotion' which will minimize the marketing budget; ultimately enhance corporate reputation/image, brand familiarity, ethical behavior and even valuable for stocks trading. However, like marketing techniques, CSR activities should be formulated properly and disclosed to target market. D'heur (2015) found that it is clear that CSR activities has an association with the organizational operation, however there is still lacking the evidence how much the level of these activities affecting corporate performance. It will show the outputs when these techniques are incorporated in the primary organizational activities with the help of corporate governance. It is very crucial to articulate operative plans and adopt other approaches that can identify and measure these CSR's dynamics for achieving overall corporate goals; economic, social and environmental. Recently, almost every country (even developing) has done some homework and presented action plan for formulating and implementing CSR concept.

From various CSR dimensions, the concept of CSR can be defined that it is the combined representation of different organizational principles, social and ethical values that has the main obligation to conduct the corporate activities sensibly; acceptable for all stakeholders without scarifying the corporate values. Initially, there was no guidelines or reporting formats, therefore, organizations were not bound what to include/exclude in CSR actions and thus disclosure. They had no idea what to include and how much of specific dimension. For example, employee might be a customer as well a member of vast society (general public). Therefore, the selection and target of stakeholders are only restricted to customers, while ignoring the presence and stakes of other stakeholders. Generally, the CSR sensitivity has increased recently due to international and local regulations, especially in registered firms and international organizations; which is reflected from their corporate reports.

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