

RESEARCH ARTICLE

Strategic corporate social responsibility, capabilities, and opportunities: Empirical substantiation and futuristic implications

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Abstract

The underlying principle of the present research work is to examine how manager's personal values and strategic CSR influences employees perceived CSR and implementation within their organizations, therefore, giving importance to the performance and sustainable development as a whole. Here, the research model is tested all the way through an assessment conferring with 238 survey participants from companies functioning in a variety of sectors like agribusiness, automobiles, and so forth. The end result guides to the subsequent conclusions: managers' personal values exhibited a direct positive relationship with both employees' CSR perception and CSR implementation; strategic CSR also displayed a positive relationship with both employees' CSR perception and CSR implementation. The analysis also shows an optimistic association between CSR implementation and CSR performance; whereas CSR performance demonstrated a significant positive relationship with corporate sustainable development, thereby, accepting the proposed hypothesis formulated. The CSR implementation has changed to be a vital constituent of management and organizational behavior. However, the internal CSR dimension has been principally mis-treated so far. Hence, this is a bridging study between the micro aspect of perception leading to macro perspective of sustainability and performance system management which is a vital contribution of this paper.

KEYWORDS

CSR implementation, CSR performance, employees' CSR perception, manager's personal values, organizational behavior, performance system management, strategic CSR, sustainable development

1 | INTRODUCTION

Advancements in corporate social responsibility (CSR) have accumulated enormous attention in present times (Crawford & Scaletta, 2005) and is regarded as an exclusive thought (Williams & Zinkin, 2005). It has transformed its idea from the oldest traditions of corporate philanthropy to a multi-stakeholder development in which, firms are held responsible for all its actions. We continue to exist on a vibrant planet, where we look for original and innovative discoveries and so, adapting

to the active changes is a must and necessary action, which is to be considered. As a result, it is important to point out that the field of CSR has reshaped itself and the multiplicity of events has also transformed into a radical shift. CSR practices can be seen in the developed nations like UK, USA, principally well thought-out in western parts appropriate owing to the well-built principles and governing situations in and around conditions which are scrawny in budding nations (Chapple & Moon, 2005; Mishra & Suar, 2010). Such weak principles pretense substantial confronts to companies for embracing CSR in

developing nations such as India, where histories in this domain are limited. CSR only recently ascended to prominence as a serious discipline in India, but its future still remains uncertain. Numerous entrepreneurs and management privileged leaders today believe it to be fundamental to connect with the investors, the populations in which their companies operate, and additional pretentious by and engrossed in what they accomplish (Schwab, 2008). An increased awareness and concentrating on the corporate social responsibilities provide the companies with the chance to place themselves in the society in an important and respectable position (Ruggie, 2002). In addition, it is not only the opportunity that has been extended to the companies for encouraging them to actively work with CSR strategies, but also an expectation of the clients, people, recruiters, probable investors, and the world (Mark-Herbert & Schantz, 2007). Numerous buyers and business intensity factors conclude the final results of CSR inventiveness, such as the point of CSR awareness (Du, Bhattacharya, & Sen, 2007), consumers' justifying of and common opinions about CSR initiatives (Sen & Bhattacharya, 2001).

CSR can be termed in various connotations, as an emerging theme of sustainable business actions moving ahead of legal terms (Ruggie, 2002). Strategic CSR develops business benefits, which helps in creating greater shareholders' wealth, including environmental and human sustainability divisions. Globalization has envisioned CSR performance supplementary perceptible; and ecological concerns have steadily been given priorities for business proficiency in terms of new creation (Lubin & Esty, 2010). Into reality, a firm's endurance in contemporary world appears en route to involve a social responsibility responsiveness, which is nothing but, an indispensable part (Galbreath, 2006). A company's endurance and accomplishment rests entirely on the capabilities of their executives, managers to turn out enough prosperity and contentment for its most important shareholders. Hence, firms need to be familiar with the critical social issues, specific to stakeholder demands and in line with the organizational policies and practices. In developed or developing countries, CSR policies have been improved through several decades, where governments are trying to implement their level of CSR in meaningful ways, followed by implementation and participation in promoting the activities through various implementation policies. On the other hand, inadequacy is found in emerging nations such as India, where appropriate frameworks are at a nascent stage and need to evolve from its embryonic stage in order to face the global vision. The present research paper seeks to identify whether CSR expectation and stakeholder perception influence strategic CSR decision-making, thereby, leading to CSR performance and corporate sustainability (CS) completely.

2 | REVIEW OF LITERATURE

2.1 | Managers' personal values and employees' CSR perception

CSR has gained its worldwide prominence not only as a matter of preference, but also equivalent in corporate decision-making and

strategic planning. A huge number of national as well as international research studies and academic discussions have generated innumerable research avenues for enhanced understanding of the roles and functions of CSR. It takes place and described as "the concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis" (Reverte, 2009). In response to the current corporate interest and societal expectations, more researches are required to examine the consequence of a company's inner wealth in terms of stakeholder behavior, managers' personal values and managerial traditions on its CSR performance, which are pertinent in developing proper CSR roles and responsibilities (Chin, Hambrick, & Trevino, 2013). This calls for the urgent requirement for enhanced consideration of CSR tasks and higher authorities' priorities, because a manager's personal values and stakeholders' perception of a company have full control and influence on the strategic planning and implementation phase for better performances (Hambrick & Mason, 1984).

Supplementarily, the roles played by the top management with regard to CSR are tremendously imperative (Quazi, 2003; Swanson, 2008). Regardless of the vital function that managers take part in CSR execution, the impact of managers perceived images on employees' CSR perceptions has been hardly shown in earlier experiential studies and requires additional investigations in terms of understanding the role of managerial characteristics (Fabrizi, Mallin, & Michelon, 2014). However, orientation of managers' CSR was found absolute and positively linked with their firms' performance, that is, executives are further likely to get involved in CSR activities, given the firm is financially sound (Zu & Song, 2008).

The evidence to facilitate individual managers to adopt social responsibility may influence recruits with the purpose of they be able to incorporate a divergence in the organization devoid of a traditionally accepted CSR culture (Hemingway & MacLagan, 2004). This piece of writing throws some beam on this query by analyzing how a manager perceived image impact on employee's CSR perception and how the manager's role and personal value characteristics have an effect. This article supports the accessible literature in numerous ways. It helps explain stakeholders' CSR perception (Aguilera, Rupp, Williams, & Ganapathi, 2007); managers influence on employee insight or perception, thoughts and attitudes, performance, and act (Park & Berger, 2004). In psychology and organizational behavior studies, many researchers have pointed toward the association involving CSR perceptions and employees' behaviors and attitudes (Folger, Cropanzano, & Goldman, 2005). A negative relationship exists between firm's irresponsible behavior toward society and employee's perception about the firm, which generates negative work attitudes and decreased employee morale and work-related outcomes (Senasua & Virakula, 2009). Whereas, a positive and responsible attitude of the firm leads toward positive workplace environment and positive growth of employees or workers in terms of increased support, trust, commitment, and satisfaction toward their employers or workers (Hansen, Dunford, Boss, Boss, & Angermeier, 2011; Rupp, Ganapathi, Aguilera, & Williams, 2006). Consequently, this is crucial to lay a foundation taking place the principles of corporate social responsibility and ethics



owing to impacts between employees' perception and actual initiatives taken into account. Organizational commitment and trust factor get enhanced with the perceived ethical and social responsibility (Ditlev-Simonsen, 2015). Wong and Gao (2014) have also researched the undeviating and deviating role-play of CSR and organizational commitment (OC), where an employee's organizational commitment is tied up with its social issues.

Generally, important aspects of stakeholder theory are the way managers, executives, administrators, and top management—higher authorities think and strategize their work goals so as to attain the best decision and chose among many alternatives. It often reflects their values intrinsically associated with and their underlying affective and behavioral outcomes (Callan & Thomas, 2011; Donaldson & Preston, 1995; Hambrick & Mason, 1984). We have found managers' individual principles to be extensively studied together universally (Bigoness & Blakely, 1996) as well as the specific environment (Rallapalli, Vitell, & Szeinbach, 2000; Swanson, 1995; Wood, 1991). CSR is related to the idealistic personal values as drivers in the form of psychological attachment (Baier, 1993). The function of managerial leadership starts with the organizations' powerful actors and his or her role-play with values, experiences, and personality factors (Hambrick, 2007). Hence, a manager's idea and characteristics mold their followers' leadership practices, which further shape the firm's relation with various stakeholders and their respective demands. On the basis of the above discussion, we, thereby, propose the following hypothesis as:

H1: *The more favorable the manager's personal value system, the more will be the positive perceived CSR by the employees.*

2.2 | Managers' personal values and CSR implementation

Over the last few decades, regulatory bodies and government have taken a heed in the developed nations in promoting CSR activities through policy formulation and implementation. A just, sustainable, and balanced societal and financial maturity is some of the primarily fundamental challenge to ensure sustenance in current times. CSR creates its origin and development from the altruistic aspiration to do better, taking its ground root from the moral philosophies predominantly called as the normative state of affairs (Smith, 2003). Nevertheless, the present discussion suggests that corporate social responsibility is the foundation of a corporate's competitive advantage (Vogel, 2005). Extensive researches have shown that CSR is a chief factor in enduring developments in a worldwide, financially viable civilization (Obrad, Petcu, Gherhes, & Sorin, 2011). In reaction to this rising obstacle, legal bodies in the developed nations have augmented their intensity of participation in CSR promotions through execution (Steurer, Martinuzzi, & Margula, 2012). Existing research trends shows that consumers' consciousness of CSR leads to generation by encouraging behavioral habits toward purchasing goods from a CSR-

oriented business (Pomering & Dolnicar, 2009; Sen, Bhattacharya, & Korschun, 2006).

While defining CSR, researchers distinguish between two schools of consideration: here, said approach depicts societal performances since a holistic construct including company's deliberations for fulfilling the diverse duties such as legal, ethical, economic, and discretionary (Carroll, 1979, 1999). Whereas, the other approach showcases social performances as a task of company's treatment toward its stakeholders (Campbell, 2007; Cooper, 2004). CSR is a comparatively modern incident or practice, which incorporates tenets of the other terms like "company ethics," "business governance," "environmental sustainability," and "stakeholder relationships." Over the last few years, numerous theories have been used for the development of CSR implementation models together with agency theory, stakeholder theory, social contract theory, legitimacy theory, and political economic theory (D'Amao, Hendersen, & Florence, 2009; Stratling, 2007).

Most investigations regarded CSR as a "black box," and consequently there were scant researches on how organizations execute CSR (Rasche, 2009). In the due course of time, for example, the UNGC, the SA 8000, or ISO 26000 standards were initiated to present organizations with the methods and direction to deal with environmental, social, and anti-corruption issues with lawful abiding guidelines for worldwide management (Rasche, de Bakker, & Moon, 2013; Waddock, 2008). Though international certifiable standards related to environmental management and quality standards persuade better organizational practices and decision-making (Christmann & Taylor, 2006), studies on the efficiency of global standards causing an inclusive range of CSR implementation issues are so far scarce in emerging economies context. Many international organizations have already put forth several strategies for successful CSR implementation; mentioning the significance of manager's personal values for flourishing execution endeavors. Even though decision-makers of the organization conclude the CSR strategy and direction, middle-level management and workers or employees ought to put it into practice. Consequently, middle-level management's function is "to put into effect the direction established by top management by making sure that resources are allocated and controlled appropriately, monitoring performance and behaviour of staff, and where necessary, explaining the strategy to those reporting to them" as well as to converse and implement the top-down vision and CSR implementation. On the basis of the above discussion, we, thereby, propose the following hypothesis as:

H2: *The more favorable the managers' personal value system, the more effective is the CSR implementation process.*

2.3 | Strategic CSR process and CSR perception

In spite of the importance of CSR research worldwide that it incorporates strategic deeds for better societal excellence, the firms are likely to move forward in their corporate behavior to a stage, where it is compatible with the current community interests (McWilliams &

Siegel, 2000). With due attention toward their economic and legal duties, company's require to convene with their ethical transparency and mandatory responsibilities for better environmental excellence and performance expectations requisite by law (Carroll, 1979). On the contrary, a strategy-oriented firm representing accountable business actions encompasses a possible foundation support for generating optimistic attitudes, leading to competitive returns, generate business value, constructive social transformations and precious managerial capabilities in the extended sprint (Maxfield, 2008; Sen et al., 2006). Taking the strategic perspectives of CSR orientation holds the stakeholder view in which the goal of any company is to flourish with all its principal stakeholders which forms an important basis for CSR development (Windsor, 2006). CSR by time immemorial has even been argued as a safeguard against negligent actions (Fleming & Jones, 2013; Lee, 2008) but, however, the substantiation underlying corporate social responsibility benefits are beyond questions. A firm's sustainable strategy orientation can pose a degree of differentiation in competitive advantages based on core principles and vibrant capabilities (Hunt & Morgan, 1995).

Companies are found to place strategic CSR-based innovations in solving issues like renewable power, and so forth. (Lubin & Esty, 2010). Therefore, it may exist regarding as more than a strategic differentiator within stakeholder-companies relationships adding impetus into corporate strategy. CSR is thus used by a corporation as a business strategy-shared value theory (Porter & Kramer, 2011) which builds the company competitiveness and at the same time advancement of their community and financial conditions. As a result, firms have quite a few factors to reflect on with reverence to choosing suitable CSR strategies. The elementary strategic goals and outcomes with respect to CSR are believed to identify the potential success of CSR strategies. Diverse researchers have investigated the consequence of corporate strategy to improve worker or employee commitment to the association of the organization as well as make sure the success of CSR agendas (Chong, 2009). Here, research too underlines significant function of an organization's in-house communication, that is, internal communication, highlighting the corporate's CSR individuality to human resources or employees influences employees' CSR perception, forming a self-reinforcing cluster. If the CSR activities are in sync with company culture, employees are expected to welcome and apply such initiatives successfully (Lee, Park, & Lee, 2013). Present research tenders CSR strategic elements as of which executives and managers be capable to investigate maturity of a CSR policy by contributing a useful framework for making better decisions in the context of global business and corporate strategy. Alike, present research recommends while CSR actions and activities are on organization, strategic drive, employees or human resources recognize the CSR activities in a more positive manner. Strategic CSR's central thought revolves around a two-sided connection between the organization and society, for example, a success win type affiliation (Fleming & Jones, 2013; Lee, 2008). Organizations produce monetary benefits or key worthwhile they do great deeds for the general public. As indicated by Porter and Kramer (2006), organizations ought to meticulously focus on their CSR programs and organize those connected to their center business esteems.

Following Milliman, Ferguson, and Sylvester (2008), the key methodology of CSR is especially significant, since it makes social advantages simultaneously; it is intended to deliver benefits and advantages for organizations. Hence, is tied in with utilizing social responsibility in the partner of separated magnanimous activities. On the basis of the above discussion, we, thereby, propose the following hypothesis as:

H3: *The strategic CSR process is directly related to CSR perception of the employees.*

2.4 | Strategic CSR process and CSR implementation

Corporate social responsibility has ended up being a mainstream subject of discussion and debate among researchers. Further deliberations on CSR received predominance into empirical testing after it gained evidences in theoretical underpinnings. With the assumption of improvement toward society, CSR was associated with the financial performance of the company, received recognition as a debatable topic in the developed country context. Investors, suppliers, customers, employees, and governments are increasingly giving due attention to CSR activities, especially after a number of highly revealed corporate scandals of Nike (1997); BP (2010), and Volkswagen (2015) have emerged. CSR is emphatically associated with financial performance (FP) at a huge level subsequent to give controlling impacts for industry, firm size, risk, and the period of long-term resources (Cochran & Wood, 1984).

CSR strategy and implementation are regarded as an authoritative change process (George & Jones, 1996), a novel approach of classifying and functioning (Dawson, 2003). The aim is to line up the association in the midst of energetic business requirements and the societal setting through the recognition along with administration of shareholder outlook. CSR generates an effect on the methodology of organizations looked with the hindrances constrained by new worldwide challenge and weights from social impacts. To this end, concede that the undertaking's vital procedure is identified with the CSR execution, which are methods for aggressive addition. It is contended that CSR responsibility has moved from an impulse to a system (Milliman et al., 2008). Today, numerous organizations are making the following stride in the advancement of CSR in business. Numerous business chiefs are understanding that CSR is additionally a practical part of their general business system, alongside such conventional capacities as promoting, marking, innovative work, advancement, and tasks. This is an uplifting news, in reality, in light of the fact that the vital corporate social obligation executed well is the compelling corporate social responsibility (CSR) (McElhaney, 2008). The terrible news is that despite the fact that the need to coordinate CSR with corporate technique has been built up, most corporate endeavors to date have been neither key nor very much imparted (Hirschland, 2005). On the basis of the above discussion, we, thereby, propose the following hypothesis as:

H4: *Strategic CSR process is directly associated with the CSR implementation process.*



2.5 | CSR perception and CSR performance

Businesses have undergone extreme societal and environmental pressures to engage in movements depicted as corporate social responsibility. While various such developments go in legitimate compliances, for example, environmental legislation, businesses are urged to go beyond this and expect roles and involvement by the publics, for example, supporting education, training and getting to be engaged with the public administration (Curran & Park, 2000). To continue and strive at the present cut-throat competition, companies need to focus on these new societal challenges and public demands in which they operate to take the advantage presented by CSR opportunities in maximizing the business goals. In discussing the CSR performance of the budding nations background in comparison with Western counterparts, extant literature has also argued that CSR was more developed in emerging economies than was generally perceived and is still flourishing than expected (Muller & Kolk, 2009). Previous research has identified some of the foremost impediments of CSR, such as a negative image of the organization in the market, the absence of ethics and ethical standards, corruption in the system, a questionable legal background, compromised economic situation of the organizations, and tough job market. It has also summarized the main opportunities of CSR as the stakeholdership of the companies with foreign collaborators, positive economic growth rate, self-regulation trends of business, and so forth. (Lewicka-Strzalecka, 2006).

2.6 | CSR implementation and CSR performance

The paper, thereby, looks at how the companies' characteristics can be shaped in a better way to realize their potential for capitalizing CSR opportunities and develop appropriate strategies to gain competitive advantages. Conservative CSR approaches have dealt with the preconceived notion that top companies can predominantly develop and work toward CSR advancement (Jenkins, 2004) but, this paper studies how CSR might then emerge as a process and advances engage small and medium companies in identifying the underlying opportunities. According to Porter and Kramer (2006), CSR strategies and approaches hold the maximum avenues for organizations to profit society and to comprehend the competitive advantages. Maignan, Ferrell, and Hult (1999) endeavored to discover the effect of CSR constrained to money-related execution, yet corporate execution in a more extensive setting. Erhemjants, Li, and Venkateswaran (2013) likewise attempted to discover the effect of CSR to more extensive regions, that is, to money-related execution, venture strategy, and hierarchical structure. On the basis of the above discussion, we, thereby, propose the following hypothesis as:

H5: *CSR perception has got a positive relation with the CSR performance of an organization.*

H6: *The more favorable is the CSR implementation process, the better is the CSR performance level.*

2.7 | CSR performance and corporate sustainable development

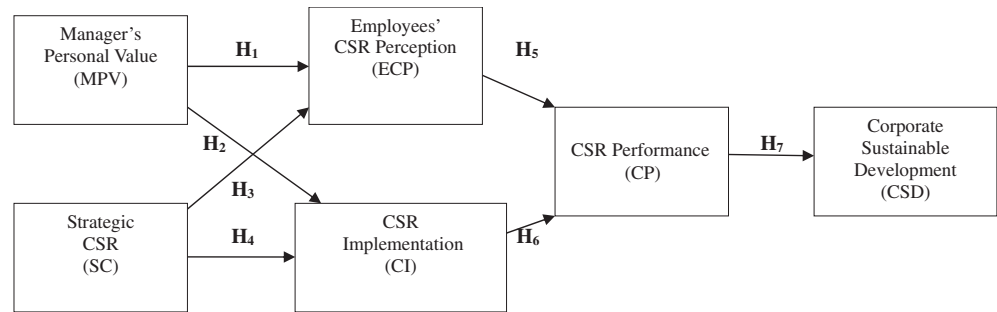
The conceptual discussion of CSR detailed above set an indicator for an association's capacity to recognize social needs, scrutinize, and comprehend the complex situations of the environment in which they are operational, and engage with the various levels of stakeholders to address sustainable development issues that are beyond their control. This is in sync with the extant literature, which has established a situation for CSR and recognized win-win opportunities for society, organizations, and the environment (Baumgartner, 2014; Carroll & Shabana, 2010; Dyllick & Hockerts, 2002). CSR can be considered as the responsibility of associations for reasonable improvement, which is classified as sustainable development, for example, the terms CSR and sustainability can be treated as equivalent words from a business setting. Late writing in literature has supported this unique circumstance, giving full consideration (Bask, Halme, Kallio, & Kuula, 2013; Baumgartner, 2014; Perry & Towers, 2013; Sauser Jr., 2005). Associations continually look for components to separate them from their rivals, since such components could move toward becoming assets that create long-term and sustainable supportable upper hands (Gladwin, Kennelly, & Krause, 1995). These focal advantageous points would empower associations to make due just as to acquire a worthy productivity rate and monetary harmony. Firms and speculators perceive that putting resources into understanding with suitability standards has the ability to make long-term esteem (Bebbington, 2001). On the basis of the above discussion, we, thereby, propose the following hypothesis as:

H7: *Better the CSR performance better is the corporate sustainable development.*

The conceptual model is as under (Figure 1).

3 | DATA AND METHODS

The samples were collected from 66 business firms for the research model constructed. The researchers set a special criterion for selecting the companies. The criterion includes the consideration of the companies based on the Companies Act, 2013, India. The Companies Act, 2013 was set to make Indian companies consciously work toward the objective of introducing noteworthy changes in the plans distinguished by organization, the executives, administration, consistence and approval, disclosure principles, mergers, and acquisitions. In particular, the CSR clause in the Companies Act, 2013 applies to any organization, amid any monetary year, with (a) a total asset of INR¹ 5,000 million (about US\$ 70 million) or more; (b) a turnover of INR 10,000 million (about US\$ 140 million) or more; or (c) a net benefit of INR 50 million (about US\$ at least 700,000) or more. Based on India's largest database of companies, the Prowess database of CMIE, the researchers randomly selected 413 companies under 22 types of manufacturing

FIGURE 1 Conceptual framework

industries. The targeted companies were both public sector as well as private sector ones.

Out of the targeted companies, 66 companies, representing 12 categories of manufacturing industries responded to the questionnaire survey, for example, the reaction rate was 15.98%. Out of the 66 organizations, seven were open division associations and 59 were private undertakings. A total of 49 organizations were recorded on Indian stock trades or exchanges (Bombay Stock Exchange and National Stock Exchange) and 17 were not recorded on any stock trade or exchange. The questionnaire was prepared based on the extant literature followed by a qualitative validity through pilot survey among 40 directors and general managers of different organizations. Besides, a pre-test was led bringing about 25 finished polls assessed through exploratory factor analysis and further affirming the not entirely self-made scales. An underlying arrangement of 78 items diminished to 69 after pre-testing. The last survey was given to two specialists in the extent of CSR and The Companies Act, 2013. The experts showed their formal agreement with the final questionnaire and suggested for zero change. After embedding the online questionnaire, the real study was directed among the senior administrators of the said organizations. By and large, the outcomes demonstrated that the central research model was not to be discarded. Finally, representativeness of the model given for every piece of the looked into the article was reviewed without fundamental disappointment, that is, the majority of the surveyed organization's staff made a point to have a PC with web get to and a professional email address ahead of time. Total 238 top-level executives from 66 organizations took an interest in the study.

Since CSR-related choices are predominantly in use by the top administration of the organizations, out of 66 responding organizations, the researchers received responses from seven CEOs and managing directors, and in the absence of them, the rest was answered by senior officials, for example, vice-presidents, chiefs, and general administrators or managers. Data were collected from six major cities across different regions of India. Demographic data of the respondents were gathered as a feature of the poll review or questionnaire survey. Information on age, gender, education, month to month pay, that is, monthly salary and service years of the top-level officials or executives ($\text{Mean}_{\text{age}} = 51.02$, $\text{SD} = 6.49$; $\text{Mean}_{\text{years of formal education}} = 18.54$, $\text{SD} = 2.74$; $\text{Mean}_{\text{years of service}} = 25.33$, $\text{SD} = 4.63$) were obtained through questionnaire surveys. Eighty-six percent of the respondents reported to have at least one professional degree (engineering or management). Two senior managers possessed Ph.D. as well. Regularly month to month compensation or

salary of respondents in different organizations under consideration ranged starting INR 46,000 (=649 US\$) to 413,557 (=5,823 US\$). Gender-wise distribution among the senior and top management level was rather discouraging. It was observed that out of 66 companies under survey, female members occupied the senior posts only in eight companies. The profile of the 12 classifications of enterprises is represented in Table 1.

3.1 | Measurement

To prepare the questionnaire, the researchers primarily relied on the extant literature as well as the pilot survey for the construction of the scale. For managers' personal values, the researchers depended on the 11-point scale developed by Zu and Song (2008). Based on the 10-point abridged scale of Chow and Chen (2012), the strategic CSR scale was prepared. To measure employee's CSR perception, the researchers' adapted scales developed by Turker (2009), with six items concentrated on CSR to workers, three things alluded to CSR to consumers, and six items corresponded to CSR to social and nonsocial stakeholders. The modified scale on employee perception of CSR activities proposed by Lee, Park, and Lee et al. (2013) was also considered in the preparation of the final scale. In the final scale, the number of items was reduced to 11 after the series of validation processes. To measure CSR implementation, the researchers counted on the research work of Pomeroy and Dolnicar (2009). In CSR performance measurement, the researchers considered company "social involvement disclosure" (SID) scale to uncover an estimation of firms' CSR proposed by Abbott and Monsen (1979), but the final scale was prepared based on the seminal research by Luo and Bhattacharya (2006). For corporate sustainable development, the 22-point scale, proposed by Chow and Chen (2012), was taken into account, which was finally reduced to 12 by the stepwise validation process. The final questionnaire consisted of seven-point Likert scale (1 = "entirely accepted" and 7 = "entirely rejected") except demographic variables was used in the questionnaire as shown in Table 2.

3.2 | Method

According to the present research model, the researchers applied structural equation modeling (SEM) as strategy and method of

TABLE 1 Profile of the industries under consideration

Industry	No. of companies	Types of companies		Average employees	Average monthly salary (Indian rupees) (1 US\$ = 71.26 Indian rupees)
		Public	Private		
Agribusiness	2	0	2	550	142,565
Automobile	8	0	8	2,100	266,787
Chemicals and pharmaceuticals	3	2	1	578	98,661
Computer hardware	4	0	4	351	160,419
Construction	8	0	4	1,568	46,000
Electronics and telecom	6	1	5	246	93,244
FMCG and consumer goods	11	0	11	6,748	413,557
Plastic	2	0	2	610	56,329
Power	6	2	4	2,878	61,911
Plywood and paint	6	0	6	319	157,985
Steel	4	1	3	5,106	122,323
Textiles	6	1	5	1,833	158,674
Total	66	7	59		

Note: Source: Authors' Calculation.

statistics to look in favor of recognizing relations between factors that have been esteemed important to come to satisfactory outcomes. Structural equation modeling thoroughly provides the points of interest and weaknesses of change and covariance-based investigation, which is popularly known as covariance-based structural analysis (Chin & Newsted, 1999), for empirical data structures in order to confirm the hypothesis. The structural models are assessed in AMOS 20.0 with the assistance of most extreme probability inference. The researchers applied expectation maximization (EM) algorithm to replace the missing data and this method was followed by Cronbach's alpha test of reliability. Expectation Maximization (EM) was applied in order to reduce the parameter bias (Enders & Peugh, 2004). Exploratory factor examination (EFA) is intended for the circumstance where links between the observed and latent variables are unknown or uncertain. The investigation, hence, continues in an exploratory mode to decide how, and to what degree, the observed variables are connected to their underlying factors.

Exploratory factor analysis (EFA), including Kaiser-Meyer-Olkin—Measure of Sampling Adequacy (KMO), principal component analysis, and varimax rotation, was applied. Further, convergent and discriminant validity (Anderson & Gerbing, 1988) for all the constructs were tested. Validity tests were followed by testing the hypothesized model by using structural equation modeling (SEM). The data, being self-reported one, had a possibility of getting a fictitious effect inside and as a result common method bias might take place. The researchers attempted to minimize the potential common method bias through the methodology applied by Podsakoff, MacKenzie, Lee, and Podsakoff (2003), taking into account the possibility that the common method bias might employ precise confounding effects on the perceived relationship between the constructs. It was followed by structural equation modeling through AMOS 20.0 to analyze confirmatory factor analysis and path analysis.

4 | DATA ANALYSIS AND RESULTS

Having gathered responses from 238 respondents, the expectation-maximization algorithm was applied to replace the missing data (around 9.85% in the present study).

Cronbach's alpha (Nunnally, 1979) test of reliability showed the reliability measure as 0.797. Hence, in the present study, the researchers considered the overall value of reliability as highly acceptable. The construct-wise reliability measures are given in Table 3. Here, given table illustrates the indicators outer loadings values of all latent constructs used in the study. All the values are above 0.5, which considered the indicators reliability and the indicators with the outer loading less than 0.5 are deleted from the scale.

In the beginning, the researchers analyzed the measurement model using confirmatory factor analysis (CFA) followed by hypothesis inference. Rather than EFA, CFA is suitably utilized, when the researchers have some information on the hidden inert variable structure. Prior to the estimation of hypotheses, the intensity of normal or common method bias strategy predisposition was tried utilizing the Harman single factor test as a part of exploring the measurement properties. The conditional emergence of one factor in the total variance explained in exploratory factor analysis showed 23.19% of variance under extraction sum of squared loadings, thereby confirming the result. The results showed a satisfactory conclusion that the dataset was free from common method bias. The KMO score in exploratory factor analysis was found out to be 0.778. The rotated component matrix extracted six factors, by applying the varimax rotation. The researchers examined the convergent and discriminant validity of six constructs. Average variance extracted (AVE) for all the six constructs were more prominent than the writing estimation of 0.5 (Hair, Black, Babin, & Anderson, 2015), which uncovers the satisfactory convergent validity. Discriminant validity was affirmed since AVE

TABLE 2 Scale items

Variables	Statements
Strategic CSR	Company representation in terms of its brand image and recognition in the market. Companies' media presence Necessity of societal objectives and financial goals Accomplish lawful rules Pursue a lawful exercise Generate customer purchase options Attainment of novel clients for expanding business exposure to gain competitive advantage. Building up of new goods and services to fight competitive pressures. Opening up of novel markets Product and service innovation, differentiation Product and process RandD investment
Stakeholder perception of CSR	Activities that intend to protect the natural environment Sustainable growth for future prospects Contribution towards projects for society's betterment Contribute towards community development Employee policies for skill enhancement Respectful consumer rights to secure customers from fraudulent events Understanding the wants and requirements of the community Recognize NGO's requirements Prospect for future generations growth opportunities Understanding issues relating to environmental conditions Does not experience accountability towards society (R) negative statement (reverse coding) Pertinent for caring NGO's requirements Imperative to guard the environment from harmful hazards Does not sense, conscientious for future generations (R) negative statement (reverse coding)
Corporate sustainable development (CSD)	Enhanced employees safety levels Protection of local community's rights Communication of the firm's environmental aspects Consideration of stakeholder interests in formal procedures Reduced costs of inputs in the production processes and business cycle Alignment with government officials to safeguard the company's interest Segregation in the process/product based marketing efforts Reducing energy consumption in operational activities Reducing the environmental impacts of its products Reducing purchases of non-renewable materials and chemicals Support for voluntary actions for environmental restorations Activities for environmental audit and employee training for performance improvement
CSR performance	Level of satisfaction of customers in terms of CSR activities in a company. Market positioning, image and reputation of companies. Satisfaction and retention of the best employees.
Managers' personal value	Engaging in socially responsible actions does not compromise the pursuit of profit. To obtain a favorable public image can be achieved by showing involved in socially responsible activities. A socially responsible business could avoid additional regulations imposed by the government, and good relationship with the government would gain firms more freedom from all sorts of restrictions. Contributing to community's program and improve local development would bring in firms' long run profitability. Firms perceived as being socially responsible can improve industry-labor relations.

(Continues)

TABLE 2 (Continued)

Variables	Statements
	Socially responsible activities could improve a firm's standing with banks and help them to gain easy access to bank loans.
	Socially responsible activities could improve a firm's standing with investors.
	Businesses have already had too much of a burden with societal affairs and they should not get involved in more social activities.
	There is no difference between involvement in socially responsible activities and positioning to public relations.
	Too much social responsibility could disadvantage firms economically.
	Business would be more willing to take on socially responsible activities when they are economically more sustainable.
CSR implementation	Awareness levels of CSR activities
	General effectiveness in the marketplace in terms of CSR implementation and evaluation practices.
	Active in communicating their activities
	The company's commitment to minimizing or eliminating any harmful effects
	More information on a company's social and ethical behavior
	Strong demand for CSR information internally as well as externally to maintain transparency in communication and supply chain.
	CSR's ability to have positive consumer purchase-behavior effects
	Consumer information needs for brand identification
	Marketing communication opportunities

TABLE 3 Construct-wise reliability measures

Constructs	Reliability measures
Managers' personal values	0.801
Strategic CSR	0.745
Employees' CSR perception	0.774
CSR implementation	0.739
CSR performance	0.753
Corporate sustainable development	0.791

Note: Source: Authors' Calculation.

for each construct was observed to be more noteworthy than the squared correlation (Hair et al., 2015; Walsh, Beatty, & Shiu, 2009), based on Fornell and Larcker (1981) criterion (Table 4).

The discriminant validity was also measured through Heterotrait-monotrait (HTMT) criterion (Henseler, Ringle, & Sarstedt, 2015). Table 5 below shows the results from HTMT analysis. The prescribed HTMT values are less than 0.9 (Henseler et al., 2015) and less than 0.85 (Kline, 2011). Since no correlation value in the table is more than 0.85, we can conclude that the discriminant validity was achieved as per HTMT_{0.85} criterion and no multicollinearity was present among the given latent constructs.

At the last phase of investigation, the outcomes or results concerning the examination's structural model are spoken to, that is, the relations inside the comprehensive research model. Regardless of anything else, when thinking about the model's multifaceted nature or unpredictability, the last from the outset demonstrated an insufficient fit concerning the worldwide fit files of its example quality. Normed

χ^2 (χ^2/df), CFI, TLI, AGFI, GFI, NFI, and RMSEA did not fulfill the respective threshold values (CFI = 0.83, TLI = 0.86, AGFI = 0.82, AGFI = 0.85, NFI = 0.81, NNFI = 0.79, and RMSEA = 0.066).

Since the initial measures of the six-construct 69-item measurement model, goodness-of-fit indices were insufficient for model justification, the final scale required additional refinement. Again, some of the standardized loadings of the items on individual constructs were not found significant (Diamantopoulos & Winklhofer, 2001; Jarvis, Mackenzie, & Podsakoff, 2003), as the optimal number of items involved per construct. This phenomenon indicates that the scale deserves further refinement. Based on the aforesaid justification, the researchers removed nine items (strategic CSR, two; CSR performance, four; and managers' personal values, three) with factor loadings below 0.40 in some of the constructs (Netemeyer, Bearden, & Sharma, 2003). By this process, the final scale reduced to 60 items.

Post refinement, the final six-construct, 60-item model was subjected to goodness of fit and the results produced accepted values of all the indices. Given 0.961 for the CFI and 0.959 for the TLI, both complied with being >0.90 as built up in the literature. Both GFI with an estimated value of 0.958 and the AGFI with an estimated value of 0.953 achieved the required criteria of >0.90. The NFI value was observed to be 0.918 (required criterion ≥ 0.90). Further, RMSEA was extremely significant in this present model's setting given the way that the value is to be viewed as a significant proof for the fit of complex models with high samples ($n = 238$). In this situation, the RMSEA has an estimated value of 0.048. Accordingly, the value is underside the still strong basic estimation values of <0.05 (Browne, 1984; Hu & Bentler, 1999). The normed χ^2 (χ^2/df) value was 2.006, which was "acceptable" according to Hair et al. (2015). Convergent validity was

TABLE 4 Discriminant validity results

Items	AVE	MPV	SC	ECP	CI	CP	CSD
MPV	0.779	0.882					
SC	0.801	0.748	0.894				
ECP	0.793	0.713	0.828	0.890			
CI	0.689	0.736	0.774	0.808	0.830		
CP	0.812	0.749	0.713	0.803	0.845	0.901	
CSD	0.738	0.699	0.745	0.754	0.802	0.763	0.859

Note: Source: Authors' Calculation.

TABLE 5 Discriminant validity by HTMT criterion

Items	MPV	SC	ECP	CI	CP	CSD
MPV	—					
SC	0.69	—				
ECP	0.73	0.81	—			
CI	0.83	0.63	0.71	—		
CP	0.67	0.80	0.82	0.66	—	
CSD	0.76	0.71	0.66	0.72	0.79	—

Note: Source: Authors' Calculation.

further confirmed by the NFI score (=0.918), which showed an appropriate convergent validity of the model under consideration (Hartwick & Barki, 1994; Segars & Grover, 1993).

The measurement model tested seven hypotheses. Among the constructs under consideration, managers' personal values exhibited a direct positive relationship with both employees' CSR perception (0.195, $p < .05$) and CSR implementation (0.216, $p < .05$). Therefore, both H_1 (managers' personal values $\rightarrow$ employees' CSR perception) and H_2 (managers' personal values $\rightarrow$ CSR implementation) were accepted. Simultaneously, the construct strategic CSR displayed a positive relationship with both employees' CSR perception (0.133, $p < .01$) and CSR implementation (0.119, $p < .05$), indicating both H_3 (strategic CSR $\rightarrow$ employees' CSR perception) and strategic CSR $\rightarrow$ CSR implementation were statistically acknowledged. The fifth hypothesis (employees' CSR perception $\rightarrow$ CSR performance) was also accepted (0.336, $p < .05$). The investigation demonstrates that there existed a positive association between CSR performance and CSR implementation (H6) (0.204, $p < .05$). Hence, H_6 was accepted. Finally,

the construct CSR performance demonstrated a significant positive relationship with corporate sustainable development (H_7) (0.255, $p < .05$), thereby accepting the hypothesis (Figure 2).

4.1 | The multiple mediation effects

The multiple mediation process helps in comparisons of the mediators and their rankings, leading to a detailed understanding of the mediation processes (Farooq, Payaud, Merunka, & Valette-Florence, 2014). In present research, the effect of the constructs, managers' personal values, and strategic CSR on CSR performance is backed by two parallel mediating paths (employees' CSR perception and CSR implementation).

In the present multiple mediation model, the researchers were intrigued not just with the total approximately impact of managers' personal values and strategic CSR on CSR performance, but also with specific indirect effects. Since the sample size is not very large ($n = 238$), postulation of normality of the testing—sampling distribution of the aggregate and specific indirect belongings becomes uncertain. Therefore, the researchers bootstrapped the indirect effects of managers' personal values and strategic CSR on CSR performance. The estimates and 95% bias-corrected confidence intervals are given in Table 6. Out of the two potential mediators tested, the researchers can conclude that employees' CSR perception (indirect effect 0.17, $p < .05$) is significantly stronger than CSR implementation (indirect effect 0.06, $p < .05$). Confidence intervals for each indirect effect were computed in the traditional way.

The contrast involving the two mechanism effects fundamentally from the noteworthy contrasts during impacts of mediators on AOC.

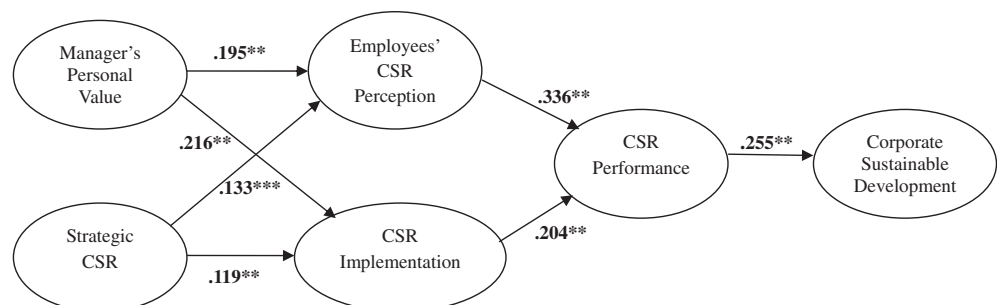
FIGURE 2 Standardized estimated hypothetical model (** significant at 0.05, *** significant at 0.01)

**TABLE 6** Specific indirect effects of the mediators

Constructs	Indirect effect through CSR perception			Indirect effect through CSR implementation			Contrasts		
	Point estimate	BC ^a 95% CI		Point estimate	BC 95% CI		Point estimate	BC 95% CI	
		Lower	Upper		Lower	Upper		Lower	Upper
Managers' personal values	0.17**	0.131	0.258	0.06**	0.02	0.027	0.11**	0.063	0.135
Strategic CSR	0.13**	0.106	0.193	0.04**	0.003	0.04	0.09**	0.044	0.116

Note: *** Significant at 0.05.

Note: Source: Authors' Calculation.

^aBias corrected, 2,000 bootstrap samples.

The impact of workers' CSR on CSR performance is a lot more grounded (0.336, $p < .05$) than the impact and effect of CSR implementation on CSR performance (0.204, $p < .05$).

5 | DISCUSSION

The present research offers elucidation in relation to employees' perceived CSR and its effect on their vital activities, strategic initiatives, and CSR implementation process. This research direction is based on the fact that the expanding need for associations to take part in socially dependable practice has additionally prompted reasoning about the latter's effect on employees' presentation and an effective CSR performance followed by sustainable development (Brammer, Millington, & Rayton, 2007). So as to assist the management with approaching issues identified with internal CSR, an increasingly complete comprehension of the idea is vital. Consequently, separating such a comprehension builds up the boost of this research exploration. Most importantly, given the impacts of the proposed model's assessment, its enlistment fits very well with what is rehearsed in the organizations. All the different perspectives to the linked constructs are embraced by the institutionalized coefficients and particularly exhibit that while CSR empowered help has the most conspicuous significance for workers' individual CSR perception, CSR believability is the most noteworthy factor for representatives' hierarchical CSR perception.

The hub of corporate social responsibility idea is the pleasant relationship among business stakeholders, and bargain among individual advantages for more noteworthy chances of general societal benefits, followed by CSR implementation and CSR performance. There are various perspectives, viewpoints about the company's association relationships with stakeholders, however, there is an all-purpose understanding so as to these company's—organizations must unite their ongoing activities and exercises with the current standards and benchmarks set by their organizations, yet in addition with qualities built up in the public arena: a factor which is more a call, yet not an immediate, organized administrative commitment and regulatory commitment. The present research paper seeks to identify whether managers' personal values and employee perception influence strategic CSR decision-making, thereby, leading to corporate social

responsibility (CSR) performance and corporate sustainability (CS) completely. Using SEM, the researchers determined that strategic CSR is a better predictor to employees' CSR perception, whereas the construct managers' personal values influence CSR implementation better. Both employees' CSR perception and CSR implementation mediate between managers' personal values, strategic CSR, and CSR performance to explain the procedure by which managers' personal values and strategic CSR influence CSR performance.

This outcome has potentially comprehensive implications. If employees' CSR perception and CSR implementation are affected by managers' personal values and strategic CSR, other behavioral findings related to these two constructs are also expected to get influenced by managers' personal values and strategic CSR. CSR perception and CSR implementation are two major constructs in CSR studies that influence added CSR-related attitudes and behavior, as well as CSR performance (Porter & Kramer, 2006). For example, employees' CSR perception influences employee attachment and perceived corporate performance (Lee et al., 2013) and employee deviance and anomie (Choi, Myung, & Kim, 2018). On the other hand, CSR implementation affects innovation with the enterprise, enterprise reputation, and horizontal differentiation of the organization (Boubakary & Moskolai, 2016). So the findings of the study envisage that CSR perception and implementation may indirectly affect employees' attitude and behavior in different ways other than CSR performance. Of the two dimensions that affect CSR performance, employees' CSR perception represents the stronger predictor to CSR performance. This finding validates our proposition that the positive CSR perception among the employees acts better on the performance of CSR of the organization. These outcomes exhibit that employees, who are perceptually delicate to the CSR ideas of organization, be more proactive in the CSR performance. The study shows that employees' CSR perception is influenced by managers' personal values as well as strategic CSR. The finding of the former one coincides with extant literature (Hemingway & MacLagan, 2004) and the latter with Lee et al. (2013). Of the two constructs, managers' personal values exert a better effect, possibly because of two reasons; first, managers with strong values and ethics can deploy a better idea of CSR to his team members and display their own qualities through practicing managerial carefulness (Hemingway & MacLagan, 2004).

6 | FINDINGS

Findings of the research have shown that the discretion of the managers is potentially related to enhancing employees' CSR perception as a result of the link between managers' personal values and CSR implementation. But this result is not very generalizable, which is also supported by Hemingway and MacLagan (2004). In the event freedom to practice managerial tact as to the allocation of assets to expedite the CSR process, every possibility exists to generate conflict among the managers in terms of investing resources for a good cause (Hemingway & MacLagan, 2004). Similarly, role of managers' individual morals affects CSR implementation in a better way (Duarte, 2010), as shown in the research than that of strategic CSR process.

We additionally display a well-built positive relationship of CSR performance with corporate sustainable development. The positive impact of CSR performance on corporate sustainable development indicates that CSR activities identified with societal development, general societal benefits, societal development along with their social improvement, foster positive attitudes among employees and the public (Farooq et al., 2014). Better CSR performance leads to the effect of sustainable development for the organization in a superior way. If the opportunities associated with sustainable development can be identified and implemented properly, corporate sustainable development can be a comprehensive source of competitiveness (Baumgartner, 2014). Corporate social responsibility and its performance within open marketplace for societal development at large can be one of the opportunities that may lead to corporate sustainability (Montiel, 2008; Perry & Towers, 2013). Therefore, a noteworthy performance of CSR influences corporate sustainable development and the present study coincides the result with the extant literature.

7 | CONCLUSION

From our viewpoint, the idea of the word "responsibility" incorporates formal guidelines and understandings, then again, the perception of the employees and their dedication is one of the significant factors to capitalize the utility of corporate social responsibility (CSR). Without considering these aspects, success of CSR and a fairly associated set of social capital improvement will be a far-fetched dream. Promise to stakeholders with regard to CSR know how to characterized as an extended term and steady organization strategy, reacting to stakeholders' qualities and resulting desires (Holme & Watts, 2000) at hand a definition that has turned out to be traditional as the lasting industry pledge to carry on morally and add to financial improvement while improving the nature of work power, personal satisfaction for their relations, and add to the network and overall population welfare. In this way, view of happiness coordination can be translated as a sort of common responsibility trade, advantage of which is shared fulfillment of desires.

CSR implementation is uncovered as a multi-dimensional wonder, figuring associations through different stakeholders. Organization's obligations may have a comparable input (Wilson, 2010) trusts so as

to obstinate responsibility can create positive relationships with stakeholders, just as lessen cost of relations with clients and different stakeholders. Furthermore, (Dhanesh, 2014) learning outcomes exhibit that how CSR performance be capable of utilized seeing that an administrative system during associations among the workers, fortifying connections flanked by the organization and representatives. The continuous CSR practices had a positive association with so much perspective as worker trust, responsibility, and occupation fulfillment (Balfour & Wechsler, 1996; Bhattacharya, Korschun, & Sen, 2009; Brammer et al., 2007). Cruz, Boehe, and Ogasavara (2015) who inspected CSR approach of sending out organizations, attracted regard to the contrasts between social orders.

As per the creators, exporters that objective nations with solid direction toward maintainability additionally require a more grounded pledge to building up a CSR-based separation system at the firm dimension, as all the more requesting institutional conditions recommend that trust-building exercises ought to go by increasingly strict necessities. In any case, different creators contend that partner desire ought not to be deciphered in a separated assessment of various nations and societies. As per Werther and Chandler (2005), authenticity is a significant incentive in all nations. This thought can be stretched out as far as different qualities under the manner of the CSR idea. In this specific situation, the investigation of Bhattacharya et al. (2009) must be viewed as where the creators uncovered the mental components that drive singular partner reactions to CSR action. They drew the strategies end fasten framework to express and capture the sorts of advantages stakeholders get from CSR activities (i.e. practical, psychosocial, and esteem fulfillment) as a primary determinant of their reactions to such exercises. Likewise, the makers express that the idea of the accomplice association relationship coming about in light of a CSR action depends upon the kind of preferences partners gain from it. The responsibility is regularly connected with partner desires in a domain in which organizations work to accomplish corporate sustainable development.

8 | LIMITATIONS OF THE RESEARCH

Restrictions exist in this study and should subsist focused in the future studies. We offer a possible explanation for the outcomes of the research; in any case, this wonder needs further examination to decide why manager's personal value influences CSR implementation in a better way than employees' CSR perception. Does it carry the meaning that an effective CSR implementation would fetch a better incentive for the managers or employees? Perhaps it shows the inability of the managers not to inculcate their values and ideas effectively to the minds of the team members. The second case, which demonstrates that strategic CSR has a better impact on the employees' CSR perception than CSR implementation, leaves a complex question about the "real" perception of the employees of the organization. A quantitative research may not always find out the roots of these complicated situations. An exhaustive qualitative research may investigate the purposes behind these results. It may even explore the attitude of



the employees and their motivational direction toward acceptance and accomplishment of the CSR objectives. Similarly, the outcomes that demonstrate that strategic CSR claims a better influence on employees' CSR perception than CSR implementation require further qualitative probing. It is very unlikely to conceive the idea that employees' CSR perception is influenced better through strategic CSR. Again, the findings that show that employees' CSR perception has stronger relationship with CSR performance than CSR implementation request further investigation. A compelling investigation could affirm the reason behind the peculiar relationship, especially when the influence of manager's personal values was less than that of CSR implementation. Though manager's personal value is more closely associated with employees' CSR perception than strategic CSR, it would be purposeful to explore the reasons for these complex outcomes. We organized the research in India based on a handful of industries. The results may differ should the research be conducted with other industries in India or in other countries.

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ENDNOTE

¹ INR = Indian Rupees.

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