Linking Organisational Performance and Corporate Social Responsibility

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ABSTRACT

Purpose: Business organisations are at the core of sustainable development, and they can be no longer isolated from social concerns and issues where they operate and exist. While many firms have applied CSR practices successfully and made it fruitful for both business and society, many others are still struggling as no one strategy can usually fit all and CSR initiatives do not promise the same payoffs among different companies and sectors. In this context, the study aims to examine the link between organisational performance and CSR and provide a milestone that would help business organisations to successfully apply CSR initiatives.

Design/methodology/approach: Drawing upon field research, 378 questionnaires were collected from various managerial and non-managerial employees of the mobile network operators in Egypt to examine the research hypotheses.

Findings: Extending the relation between organisational performance and CSR, this paper demonstrates the heterogeneous ways in which organisational performance can be a key determinant for being engaged in successful CSR initiatives. It argued how organisational performance materialised in integrating business-related social issues into the organisational strategy, financial performance, CSR capability responsiveness, and social performance—can help business organisation establish a win-win situation and create a business-society shared value.

Research limitations/implications: The research focuses on four business organisations operating as mobile network service providers in Egypt.

Practical implications: The research findings have important implications, more specifically, for firms willing to engage for successful CSR practices, and how social issues and concerns can be translated into business opportunities to motivate business organisations to address them.

Social implications: CSR is still controversial to a great extent; especially from an empirical perspective in less developed and developing countries like Egypt, where environmental and social considerations are limited; regarded as a task to be done by a few (Gov., NGOs, NPO, etc.); and where CSR activities are carried through philanthropic perspective. This research implies the possibility to look at social issues and concerns as an opportunity for strategic CSR that create a shared value for business and society and formulate a win-win situation.

Originality/value: This paper’s contribution is threefold. First, theoretically, the literature on organisational performance and CSR is extended by considering how they can complement one another. The nuanced focus on this relation provides a “zoom in” that organisational performance is a key success factor while considering CSR. Second, the literature on shared value is deepened by identifying a diverse range of imbricating logics that can be used to discern a more nuanced connection between business and society. Last, these ideas are grounded in a relevant field study context—that of CSR activities in Egypt—, providing more knowledge, over time, of specific actors’ translations of CSR policies into business organisations’ strategies and practices.

Keywords: Corporate Social Responsibility (CSR), Creation of shared value (CSV), Social Performance, Strategic Corporate Social Responsibility (SCSR), CSR capability responsiveness, Egyptian mobile network operators, social performance.
I. INTRODUCTION

In a world aspiring to achieve sustainable development goals (SDGs) and within a global call for more responsible actions toward social and environmental issues, corporate social responsibility “CSR” is a business concept that doesn’t sound to be yet outdated. Despite being intensively examined and broadly discussed over decades, CSR is still controversial to a great extent; mainly from an empirical perspective in less developed and developing countries like Egypt, where environmental and social considerations are limited; regarded as a task to be done by a few (Gov., NGOs, NPO, etc.); and where CSR and philanthropy are commonly interpreted as synonyms by business practitioners.

The notion that the businesses have an obligation for social betterment was debated over the past 50 years and took root in the 19th century when the big companies in the aftermath of the industrial revolution began to provide housing and other amenities to their workers (Thompson, et al., 2010). Since then, there was a more focus that organisations should not look after its shareholders only, but rather to balance the interests of all stakeholders; including employees, customers, suppliers, the communities in which they operate, and society at large (Bowen, 1953).

Moreover, and within a climate change irritating the world and threatening the existence of living organisms on the planet; being efficient and focusing solely on organisational goals and existence is insufficient for business to sustain its competitive advantage, and that the only sustainable competitive advantage any business really has is to preserve its “social and environmental context” where it operates and generate profits mainly within a global context, and along with conflicting pressures, demands, and expectations from the home and the host countries (Certo et al., 1995; Carroll, 2015; Allen & Craig, 2016).

Being unethical and ignoring the social and environmental considerations are the best shortcuts for inefficiency and losses, and the history is full of firms that lost their businesses for being unethical & socially and environmentally inattentive, despite being economically strong.

In 2006, a survey carried out by Control Risks, Simmons & Simmons, and the international risk consultancy indicated that business corruption remains a huge worldwide problem. More business people say corruption is likely to get worse, and there is a widespread ignorance of legislations on foreign bribery. Many corporates have been involved in scandals and unethical acts including earnings overestimation, bribe payments to public officials both domestically and abroad, insider trading, and so on. Such practices have a negative effect on development, competition and fair trade practices.

In 2001, and due to the unethical & illegal financial practices, Enron “the sixth-largest energy company in the world” which was considered as America’s most innovative company for six consecutive years suffered bankruptcy. Enron shares collapsed from $90.75 at their peak in August 2000 to $0.67 in January 2002, five thousand employees were dismissed, and many pensioners and small householders lost their life-time savings that were invested in the enterprise’s shares (CNN, 2013). History has proven that the greater the trust and confidence of people in the ethics of an institution, the greater its economic strength.

Nevertheless, business organisations are a key success factor in the economy and well-functioning organisations is a cornerstone and a key successful factor for advanced countries. Strong economies worldwide are constituted by such organisations, and only through continuous performance and improvement, those organisations are able to grow and advance. Continuous performance is not a coincidence; it’s rather the result of successful management practices and pioneer leadership which knows how to structure the organisation; set the strategy that suits the present and prosper the future; allocate resources; accordingly, motivate the employees to execute it; monitor and control the overall process; and balance business, social and environmental necessities.

Although the number of organisations engaging in social behavior and activities have been noticeably increasing, not all of them were able to make it business-society profitable. This is mainly because CSR activities does not promise the same payoffs for all, especially for those who don’t apply CSR through a strategic approach with the aim of supporting core business activities (Burke & Logsdon, 1996).

As a result, CSR turns to be, in many instances, a business unjustified cost or a task better be done by others. As a result, the meaning of CSR and the issues surrounding it remains vague and misleading for many organisations. Such dispute was large extend settled through the movement from CSR to CSV with the aim to create shared value (CSV) and a win-win situation for people, profit, and planet (Porter & Kramer, 2011).

This follow Marrewijk (2003), who presented the full integration of CSR, emphasizing the new role of companies in society that obligates them to make strategic decisions to adapt to its social context. Following this notion, CSR was shifted from being a voluntary obligation or a minimal commitment to become a strategic necessity and indispensable for any corporation, which can be used to generate profits and exploit opportunities to sustain business competitive advantage over rivals (Lantos, 2001; Marrewijk, 2003; Werther & Chandler 2005; Porter & Kramer, 2006; Haslin & Ochoa, 2008).

In this context, being socially responsible is not a coincidence; it’s rather the result of the integration and linkage of social and environmental business-related issues in business strategy that makes the talk walk and turns organisational performance and activities into solutions for environmental and social issues along its supply chain and in the society as a whole, where it exists and acts. Through this movement to CSV, CSR activities are now no longer a business cost or “an inappropriate use of company’s resources that would result in the unjustifiable spending of money for the general social interest” as mentioned by the noble Laurent Friedman, 1970.

II. THE ORGANIZATIONAL PERFORMANCE AND CSR

Organisational performance is the most important criterion in evaluating organizations. Such importance is clear in the common use of organisational performance as an independent and dependent variable in the literature review (March & Sutton 1997; Siddiq & Javed, 2014; Obeidat, 2016; Latif et al., 2017; Craig, 2016).
Nevertheless, there is no commonly accepted definition for the organisational performance concept although it’s commonly used in the literature review.

During the early stages, organisational performance was a measure of the degree to which organisations achieve their objectives (Georgopoulos & Tannenbaum, 1957). In the 60s and 70s, new ways to evaluate organisational performance were developed, such as the organisation’s ability to utilize its limited resources (Yuchtmann & Seashore, 1967). Later on, managers started to grasp that organisational performance and objectives are more complicated than initially considered and they introduced two new constraints named effectiveness and efficiency.

As a result of business models failure, inflation and recession the modern capitalist economy suffered during 1960’s and early 1970’s eliminated the idea of excluding business organisations or firms from the social concerns and environment issues and significant advances with regards to social and environmental regulations were made, all of which highlighted and formalized to some extent, the responsibilities of businesses with regards to the social concerns of the time (Carroll, 2015; Waterhouse, 2017).

Since then, firms became a part of the society and not just the economy, as both have a direct and indirect impact on each other’s actives and performance, and many businesses worldwide focused on expanding their activities to include what is more than productive activities or mere philanthropy, and to take into account the three dimensions of sustainable development; economic growth, social progress and environmental protection (David, 2013).

As a result, the organisational performance expanded to include more than a mere focus on achieving organisational goals or an efficient use of limited resources, but rather on how business decisions and policies can sound good for business, society and environment.

Following this, Carton and Hofer (2006) mentioned that the concept of organisational performance is based upon the idea that an organization is a voluntary association of productive assets including human, physical and capital resources for the purpose of achieving a shared purpose. According to this definition, those providing the assets will only commit them to the organisation as long as they are satisfied with the value they receive in exchange. As a consequence, the essence of the performance is the creation of value. So, when the value created by the use of the contributed assets is equal or higher than the value expected by those contributing the assets, the assets will continue to be made available to the organisation and the organisation will continue to exist.

Not so far from this, Werther and Chandler (2005) explained that for strategic corporate social responsibility (SCSR) to be effective, it must come from a “genuine commitment to change and self-analysis” and be derived from a top-down approach throughout the company’s operations and performance for it to translate into a sustainable competitive advantage.

In their framework, Porter and Kramer (2006) suggested that companies should first scan for internal social impacts they created through their operations and value chain – an inside-out linkage. Second, companies should scan for external social issues that affect the competitiveness of the company – an outside-in linkage. Through integrating inside-out and outside-in practices, companies can generate economic and social value by innovating value chains and evaluating social limitations to competitiveness.

The work of Porter and Kramer (2006) provided a new understanding of SCSR as a way to maximize the interdependence between business and society through a holistic approach to the company’s operations and offered an explanation of the advantages of using SCSR as an integrative business framework instead of a limited goal-oriented perspective.

When CSR is used without a holistic approach and only focused on certain objectives (e.g., CSR used as a tool for achieving the social license to operate, or for achieving and maintaining a reputational status, or for addressing stakeholder satisfaction) it limits the company’s potential to create social benefits while supporting their business goals (Porter and Kramer, 2006).

The organisation’s daily (operational) business activities provide value for all the stakeholders and the continuous performance is essential for organisations to prosper and become more efficient along the value chain. The purpose of the operations is to keep the current organisational activities functioning at peak levels, which is extremely important, because if the organisation’s operations are ineffective, strategic positioning ultimately wouldn’t matter (Johnson and Scholes, 1993; Werther and Chandler, 2005; Stowell, 2013).

On the other hand, organisational strategy shapes its future; defines how the operational side can be competitive in the long run; and addresses questions about new technologies, solutions, and products the business may want to offer, as well as potential markets and customers that can be served (Jones and George, 2009). Nonetheless, strategies would not be successful or be translated into actions without effective operational and management processes. According to Kaplan and Norton (2008), a strategy can be three times more successful through having a proper formal system for strategy execution.

In this context, they developed a six stage comprehensive management system that links and integrate operational execution with the strategic planning. Through their system, Kaplan and Norton asserted the idea of the two sides of the organisational performance (i.e., strategic and operational), and that both must be linked and work simultaneously in order to capture the highest value of strategy and achieve the outstanding performance (Fig. 1).

Although many firms have been successful in applying CSR initiatives and practices, many others are still struggling with the concept. There is no one best strategy that can fits all and each organisation needs to address its capabilities, challenges, and opportunities to develop its own appropriate response. Thus, managers are concerned about choosing the right CSR activities which matches their organisational needs and abilities rather than just being engaged in useless ones.

They are looking for the business-society related issues which includes for them business opportunities through which they can drive their costs down, increase customer satisfaction and loyalty, develop new products and services, improve the company’s reputation, and sustain their competitive advantage over their rival.
Being engaged in unsought or brag CSR activities turns the efforts into a business cost or unjustified expenses that would irritate investors who seek to maximize the return on their investments and increase doubts about management capabilities to run organisational limited resources (Filho et al., 2010). The worse could even happen when doubts start to revolve around that those activities are block-out curtains to hide firm sins or corruptions (Sharma and song, 2018).

III. MOVING FROM CSR TO CSV AND HYPOTHESIS DEVELOPMENT

The link between the social value and economic value scheme was missing, where many companies initiated CSR through donating and volunteering (i.e. philanthropy). In 2002, Porter and Kramer discussed that most companies understand that they are obligated to do the philanthropy and have obligation for their society, yet few of them know how to do it well. They proposed that a company’s philanthropy should be considered as a strategy to create long-term social values. Although traditional charity is a good start but it not enough to create a social value for business.

The evolution of shared-value concept for both business and society has changed that point of view, where Companies have realised that they can boost their competitive advantage and benefit the society at the same time. In this context CSR is viewed as business investment for the betterment of both business and society instead of being “must paid” costs for satisfying various stakeholders. This turns business-social related issues into source of opportunities and advantages that can help firms to improve and sustain their competitive advantage.

At the same time, firms cannot survive without healthy and well-functioning societies that offer proper education levels and good health care. Such factors are critical to establish a productive workforce along with other resources needed to keep business on.

In addition, safe products and healthy working conditions don’t only attract highly qualified employees and retain customers, but also lower the internal costs of accidents and quality, increase efficiency of resources utilization, make business more productive, and help societies to advance and sustain.

Moreover, a healthy modern society cannot survive without successful and well-functioning companies that provide job opportunities, wealth, and innovations that enhance the quality of life and social welfare over time. Without the business sector, corporate and regional competitiveness decreases, wages stagnate, jobs vacancies deteriorate, and the wealth that pays taxes and supports nonprofit contributions evaporates (Porter and Kramer 2006).

Such interdependence between business and society obligate business decisions and social policies to follow the shared-value principle, as a temporary gain to one will undermine the long-term prosperity of both. Thus, it’s no longer a luxury for companies to make an effort to integrate business-social related issues in its strategy if the company wants to have a real CSR.

In 2011, Porter and Kramer proposed a “shared value” between business concern and society concern of a company (Fig. 2). Through their study, they referred to shared value creation as the corporate policies and acts which foster the company’s competitiveness while maintaining social and economic progress conditions in the communities in which the company sells and operates. They further added that shared value creation enables society to advance and companies to grow faster. This happens when the business organization starts to treat business-social related issues, where the organisation’s resources (i.e., cash, well trained staff, technology, business relations, etc.) became all available to address these issues, which in return offer the organisation with opportunities and benefits to boost its competitive position among its rivals.

In the same context, the world’s large technology company HP, added, the task of social responsibility and society betterment is not a task to be left to a few but is a responsibility that all should share in and perform, and because of the interrelationship and interdependence between business and society, the same means, passion, energy and culture of innovation that makes a successful company can also be used to make a positive social impact (HP Sustainable Impact Report, 2016).
Through literature review, many researchers have argued about the importance of integrating CSR activities with the corporate strategy—mainly business-social related ones—and to move from CSR to SCSR, where such strategy is to be translated into the operational plans and daily activities carried by different departments and across various divisions (Carroll, 1998; Smith, 2001; Lantos, 2001; Werther and Chandler 2005; Porter and Kramer 2006; Husted and Allen 2007). This in turn, would shift mere CSR theorization to applicability regardless of type and size of the organisation (Porter and Kramer, 2002; Grayson and Hodges, 2004; Castka, et al., 2004; Porter and Kramer, 2006; Porter and Kramer, 2011) and create the aforementioned shared value between business and society. Accordingly, the first hypothesis can be postulated:

H1: There is a significant relationship between integrating business-related social issues into the organisational strategy and the creation of business-society shared value.

In addition, without revenues and profits, businesses won’t be able to pay for their employees, offer health care for them, fix their machines, update their services, build infrastructure, expand their activities, pay taxes to governments, or hire new people. Thus, a business that has no economic viability, and does not know how to maximize its profit, won’t for sure be able to have sufficient resources to offer any social responsibility or achieve economic sustainability. In this context, Hazlett et al., (2007); Fauzi and Idris, (2010) revealed a positive relationship between corporate financial performance and corporate social performance under the slack resource theory and under good management theory. Accordingly, the second hypothesis can be postulated:

H2: There is a significant relationship between the financial performance of the organisation and the creation of business-society shared value.

CSR capability responsiveness refers to the ability of a company’s management to respond to stakeholders’ demands regarding societal needs, while also optimizing company economic performance (Ibrahim, 2012). During the 1970s, Drucker’s examined CSR motivated by the lack of the ability of government and public sector to respond to social issues. In his research, Drucker classified social responsibilities into two groups: social impact (what company does to society) and social problem (what company can do to society). He assumed that the corporation would resist responding to social problems when the problems impair its performance capability, exceed its competence, and conflict with legitimate authorities (Drucker, 1986). To overcome this problem, he proposed that a company could turn social issues into economic opportunities and economic profits. His proposition shared a similar thought to the “doing well while doing good” concept that businesses are still approaching today. Accordingly, the third hypothesis can be postulated:

H3: There is a significant relationship between the CSR capability responsiveness of the organisation and the creation of business-society shared value.

Business organisations usually face CSR issues and challenges which require more capability than they have; however, businesses who take initiative in their CSR systems, tend to have higher social performance regardless of external CSR changes. Organisations who proactively behaves and postures their CSR strategy through interacting and partnering with stakeholders, tend to establish good reputation among their customers, employees, community, and competitors, besides increasing the ability to attract and retain loyal customers and quality employees (Ting et al., 2010; Torugsa and O'Donohue, 2013: Rim and Ferguson, 2017). In addition, many studies have studied the relationship between CSR and the impact on employee engagement and moral (Barber, 2004; Glavas, 2016, Chaudhary, 2017). Such studies arise the well-known notion, that no organisation can
really satisfy the external society unless it satisfies the internal one named employees and customers. Accordingly, the Forth hypothesis can be postulated:

H4: There is a significant relationship between the social performance of the organisation and the creation of business-society shared value.

IV. METHODOLOGY

The review of extant literature highlighted gaps in the study of CSR from the SCSR Perspective and shared value creation concept, especially in developing and less developed countries like Egypt, where CSR activities are carried through a charity perspective with a limited strategic link or no link at all.

This study was conceptualized through a positivist approach to fill the gap in knowledge about the link between organisational performance and corporate social responsibility in the Egyptian context and the association between them. The conceptual framework was tested empirically on the basis of primary data gathered via questionnaires method from September to February 2022. The study focused on the telecommunication sector in Egypt, which is an important component of the service sector; the largest sector in the Egyptian economy that constitutes 51.76% of the GDP (Global Edge, 2022). Out of the telecommunication sector, the study focused on the mobile network operators who serve about 96.74 million mobile subscribers, and 41.42 million users for mobile internet, with an annual growth rate accounted to 14.46% (MCIT, 2020).

The mobile network sector in Egypt is a large sector that covers almost all over Egypt and includes four companies (CAPMAS, 2021). Vodafone, Orange, Etisalat are business organisations related to the private sector, where recently a new company named “WE” was launched, which is related to the public sector (i.e., Telecom Egypt) (We press release, 2017).

The CSR activities carried by Vodafone, Orange, Etisalat, and WE are apparent and well communicated, and most of them are related (linked) to the core of their business strategy, which would help the researchers better examine the research hypotheses. The estimated number of employees in the four companies is 21558 with a market share divided as follows (CAPMAS, 2021):

- Vodafone (41%);
- Orange (30%);
- Etisalat (21%);
- WE (8%).

The language of the questionnaire was simplified to ensure clearance and was filled out in the presence of researchers to avoid any misperception. Random sampling was used, along with the snowballing technique to achieve representation across gender, age-groups, education, and occupations. The goal of this study is to examine the link between organisational performance and CSR. The model for this study is based on:

- The CSR pyramid (Carroll, 1991).
- The Six-Stage System (Kaplan & Norton, 2008).
- The Shared value model (Porter & Kramer, 2011).

The study evaluated four independent variables, and one single dependent variable. All variables were measured on 5-point interval Likert scales. The data was collected through questionnaires, which were distributed in the smart village, 6 October City, Giza, Egypt, where the mobile network operators’ headquarters are located. The questionnaires were distributed among the three companies according to their market share and were targeted to all levels of the organization (i.e., managerial & non managerial employees), where 400 questionnaires were distributed.

For the purpose of the research, “CSR” is defined as “A concept whereby a company integrates social and environmental concerns into its business strategy and are translated in daily operations.” (Porter and Kramer, 2011); CSR capability responsiveness is demonstrated through the ability of a company’s CSR management to respond to stakeholders’ demands regarding societal needs, while also optimizing company economic performance (Ibrahim, 2012); Social performance is demonstrated as a measure of positive and negative results and effects of the CSR activities in CSR strategy to a company’s social performance in general reputation gain, ability to attract and retain qualified employees, and ability to attract and retain customers (Srichatsawan, 2014). After reviewing the collected data, the researchers were able to consider 378 valid questionnaires divided as shown in Table I.

Skewness and kurtosis check on the demographic data confirmed that they were in the normal range (±2) (Kothari, 1990). The Pearson’s coefficient correlation for the questions is ranged from “0.636” to “0.901” for Variable 1, “0.687” to “0.877” for Variable 2, “0.651 to “0.909” for Variable 3, “0.642” to “0.880” for Variable 4, and “0.639” to “0.899” for Variable 5. Such results indicate a strong significant correlation between the variables and their corresponding set of questions used in the questionnaire. In addition, the Cronbach’s alphas for each set of questions corresponding to the research variables are ranged from .793 to .943, indicating that questions used are of a high reliability. Analysis of was done using SPSS 25.

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<th>TABLE I: SUMMARY OF RESEARCH SAMPLE</th>
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V. RESULTS

Using Kruskal Wallis test, the assumed significance (using company as a grouping variable) for all variables are > 0.05, meaning that there is no significant difference between groups (Etisalat, Orange, Vodafone, and WE) in their way for considering the research variables. Such results can be justified as the four companies are from the same sector (mobile network operators) and working in the same area (Egypt), so their strategy is close to each other. The assumed significance for all variables (using working position as a grouping variable) are < 0.05, meaning that there is a significant difference between different managerial levels (Employee, supervisor, Middle management, Top management) in their way for considering the research variables. Such results can be justified as the different working positions within companies differ in their experience and their view about the best practices regarding the issues the organisation face. More efforts might be required to properly translate business strategy mainly the business-related social issues in daily operations and organisational culture.

The four main relationships tested were found significant as shown in Table II at a 95% confidence interval conducted for the hypotheses. The correlation coefficient for H1 was 0.992 at a significance level < 0.001, meaning that there is a strong positive relation between integrating business-related social issues into the organisational strategy and the creation of business-society shared value, thus the first hypothesis was supported. H2 was also supported with a correlation coefficient 0.950 at a significance level < 0.001, meaning that there is a strong positive relation between organisation’s financial performance and the creation of business-society shared value. As for the relation between CSR capability responsiveness and the creation of business-society shared value, the correlation coefficient is 0.968 at a significance level < 0.001, thereby, the third hypothesis was supported. Lastly, the relation between the social performance of the organisation and the creation of business-society shared value was proved to be significant with a correlation coefficient 0.992 at a significance level < 0.001.

VI. DISCUSSION, CONCLUSION AND DIRECTIONS FOR FUTURE RESEARCH

The global demand towards environmental responsible actions and resources conservation along with calls for greener and cleaner production systems emerged many modern strategies to maintain sustainable development and formalized to some extent, the responsibilities of businesses with regards to the social concerns of the time (Trapp, 2012; Carroll, 2015; Ban, 2015). The study was designed to examine the relationship between organisational performance and corporate social responsibility. The goal of the study was to evaluate how the organisation can achieve a business-society shared value through its performance. Following Porter and Kramer (2006, 2011), the research findings support their proposed framework that companies can use the shared-value concept to; examine the social consequences of their actions; discover opportunities to benefit society and their business through strengthening the competitive context in which they operate; determine which CSR initiatives they should address; and find the most effective ways of doing so. Accordingly, the economic and social objectives are not regarded as incompatible trade-offs but rather as an integral part of the business framework of total social responsibility (Lee, 2008).

The shared-value creation enables society to advance and companies to grow faster. This happens when the business starts to address business-social related issues, where the organisation’s resources (including cash, well trained staff, technology, business relations, etc.) became all available to address these issues, which in turn would offer the organisation with opportunities and benefits to boost its competitive position among its rivals and achieve a sustainable development (Marrewijk, 2003; Husted & Allen, 2007).

The benefits resulting from CSR proactive strategies would improve the financial performance of the organisation through creating higher sales, lower turnover rate, lower costs, and greater sustainability in its long-term competitiveness. Such results correspond to McWilliams and Siegel (2001); Saeed and Arshad (2012), who indicated that CSR would maximize profits, and can be a source to enhance and increase the organizational resources (both tangible and intangible) while satisfying the demand for CSR from different groups of stakeholders at a certain level. The financial and non-financial gains that result from addressing the business-related social issues offer incentives and resources for the organisations to continue addressing the challenges in society and to be more involved in the CSR activities (Lantos, 2001; Werther & Chandler, 2005).

This allows CSR to become more strategic and business beneficial and allows it to shift from its limited implementation in developing and less-developed counties, which is mostly with a philanthropic character (Burke & Logsdon, 1996; Carroll 2008). The CSR capability responsiveness of the organisation appears to be well connected to the achievement of business-society shared value, where organisations who act socially and environmentally responsible can run profitably while achieving business sustainability and stakeholder demands (Castka et al., 2004). In addition, organisations that have and maintain social responsibility towards its internal society (customers and employees) are more capable to be responsible for the outside society and can achieve a business-society shared value. Accordingly, organisation’s social performance is a key success factor for CSR applicability. Such results are compatible with Ting et al. (2010), who supported that firm’s investment in management systems and its capability to gather and process complicated and less obvious CSR related information would have a better CSR performance.

Companies who proactively invests in the CSR marketing element quality and safety of products, innovation, fair prices,
and ethical advertising and proactively invests in the CSR workplace element (i.e., work conditions, pay and benefits, job creation, work-life balance, equal opportunities and diversity, job satisfaction, training and staff development, responsible and fair remuneration, and health, safety, and labor rights), are likely to have higher social performance than companies that invest less in these programs or reactively invest in other types of CSR programs (Heslin & Ochoa, 2008).

The study further provides a clear and concise conceptualization that could be applicable under any context and affirm that CSR activities can sound to be more effective and applicable no matter the size or the business type. However, further research can be developed to deepen the understanding of the interdependence between the research variables. For instance, the role of consumer can be studied as a moderating variable between CSR and organisational performance. Moreover, and although CSR activities and it has relation with performance has been well apparent and communicated in the Mobile network operations sectors in Egypt, other sectors can be considered like textile sector and retailing sector.

REFERENCES


