Available online at http://www.ijbms.org

International Journal of Business and Management Sciences
Volume 03(01)
Received: 9 February, 2022 Accepted 14 March, 2022, Published 30 March, 2022

Impact of Corporate Social Responsibility on Financial Performance: A Case Study of Petroleum Industry of Pakistan

[1]*Asim Rahman and* [2] *Dr. Naveed*

Keywords:
Corporate Social Responsibility (CSR), Return on Assets (ROA), Return on Equity (ROE) & Profit after Tax (PAT)

ABSTRACT
The study is initiated to gauge the impact of Corporate Social Responsibility (CSR) on financial performance of the listed companies of the petroleum industry. The values of Return on Assets (ROA), Return on Equity (ROE) & Profit after Tax (PAT) of the petroleum industry is used as proxy variable to gauge the financial performance of the firms. Six years data (2014 to 2019 of eight) petroleum companies listed on Pakistan Stock Exchange were selected for the study. Panel data regression (fixed versus random effect) model of longitudinal study strategy is used keeping in view the nature of our secondary data. The selection of the fixed or random effect model for regressing each proxy variable was based on the result of hausman test. CSR was found to be positively and significantly correlated with ROA and ROE whereas, negative and insignificant association was witnessed between CSR and Profit after tax.

INTRODUCTION

It the era of industrialization, the focus of the firms was on profitability. Their only contribution to the society was to provide goods and services or limited to field work only. In today's world, supply of goods and services to the society at profit is not considered enough rather the society expects more from the firms to balance the equation of polluting the environment and using resources (Mulyadi, & Anwar 2012). The concept of doing business has changed from profit maximizing activities to the activities that promote social wellbeing, and businesses are not only accountable to its shareholders but also to all those who have some stake in the business (Islam, 2012). Theoretically speaking, CSR (Corporate Social Responsibility) though is not a new notion in developing countries but in practice things are quite different. Organizations need to practically perform CSR the way they are devoted to perform other responsibilities (Suraiya &Mahbuba 2013).

[1]*PhD Scholar- Qurtuba University, Peshawar.*
[2] *Associate Professor- Qurtuba University, Peshawar.*

Spending on corporate social responsibility, once treated as a cost is now considered as an investment in the financial statements (Wibisono, 2007). Solihin (2009) defined CSR as "the relationships between corporation and all stakeholders; customers, employees, investors, suppliers, government, and even their competitors all inclusive". This is also termed as 3P (People, Profit and Planet). This means that no doubt the primary objective of the firm is to earn profit, but profit seeking should not be the only purpose of the organization, wellbeing of people and the whole world should not be ignored.

Corporate social responsibility (CSR) has gained importance in the eyes of business firms, general public and academia. Empirical studies have examined the relationship between CSR and corporate financial performance (CFP) and found that the results are mixed (David, Maretno, &Hoje 2009). According to a survey reported by "The Economist" in first month of 2008, approximately 53% of the responding firms have agreed to the statement that CSR "is a necessary cost of doing business" and 43.4% percent of the respondents had the same opinion to the statement that it "gives us a distinctive position in the market." Only 3.81 percent of the respondents believed that corporate social responsibility was a "waste of time and money." A number of previous researches according to Jo and Harjoto (2011) have come up with the conclusion that CSR has positive bearing on firm's profit earning ability and financial performance. The findings of meta-analysis suggest that corporate virtue when transformed in the form of social responsibility and, to be more precisely, the environmental dimensions of corporate social responsibility, is expected to give positive return. CSR comes out to be more strongly connected with accounting-based measures such as Return on Equity (ROE), Return on Assets (ROA) and profit after tax in absolute terms as compared to society-based measures. CSR is found to be positively and significantly correlated with financial performance of the firms (Choi, Kwak & Choe, 2010; Alfalih, &Hadj, 2020). Lindgreen, Swaen and Johnston (2009) also arrived at a conclusion that if stakeholders are approached with CSR can have a positive influence on firm's revenue and resulting profits. At the same time, while contradicting the viewpoints of the researchers who hypothesized positive connection between CSR practices and firms financial performance, there are several research studies who hint a negative (Nelling& Webb, 2009) or absence of any relationship between CSR and profitability (Apria, 2011).

Why CSR and Petroleum Sector?

According to Mulyadi, & Anwar (2012) a common practice to measure the success of CSR activities of a firm is to gauge its impact on Triple Bottom Line (TBL). Under the umbrella of TBL three different units (People, Planet & Profit) which is also known as 3Ps. People stands for the magnitude and direction of the relationship between the firm and its work force, customers and suppliers; Planet refers to the influence the firm has on its environment and steps taken for its betterment and profit leads to the point where firm' resources and rewards are distributed in the society (Shnayder et al., 2015). The concept of TBL which, is frequently used by the researchers working on CSR and sustainable development, coined by John Elkington a renowned economist in the mid of 1990s. The concept was employed for petroleum industry in 1990s when Shell Petroleum Company was under severe criticism in Nigeria. In order to regain its popularity and changing its public image, the consultants suggested the firm to focus on CSR via 3Ps approach. The strategy worked and public opinion has been transformed from negative to positive (Tullberg, 2012). Thus, 3Ps can be referred to as impact of CSR on social, environmental and financial performance (Dyllick&Hockerts, 2002).

The petroleum sector has often been at the center of controversy with respect to its performance on environmental protection and sustainability practices. British Petroleum oil spill in Gulf of Mexico, polluting the sea and many others have raised serious concerns on the commitment of these organizations towards environmental protection. In current study, we have made an attempt to focus on relationship between CSR and financial performance in Pakistani context thus by selecting the Petroleum companies listed on the Stock exchange in Pakistan.

LITERATURE REVIEW

Corporations of the developing countries across the globe have started to incorporate the practices of corporate social responsibility (CSR) seriously. This forces the corporations to behave in a more responsible way which have an impact on its workforce, consumers, society and environment (Rainey, 2006). One of the major responsibilities a corporate firm needed to perform for its stakeholders is social responsibility where the firm contributes for sustainable development (Crane & Matten, 2007). The last few decades witnessed a large number of financial scandals in corporations which damaged corporate goodwill. In such a situation, CSR is used to be an essential balancing tool to strategically develop a positive relationship with stakeholders and to improve corporate image (Yoon, Giirhan-Canli, & Schwarz 2006).

CSR being a very vast topic cannot be covered by a single definition. Generally, the term encircles all the efforts made to fulfill the requirements of environment protection organizations and regulating agencies and even go beyond (Chapple & Moon, 2005). The European commission officially defined CSR which European Union has published in 2011 as “a voluntary activity, which combines both social and environmental concerns into business operations, and it is an interaction with firm’s stakeholders.” Mares (2008) studies CSR the way business influence human rights and forces the companies to opt for a “win-win” situation to embrace profit and social responsibility simultaneously. Hopkins (2004) defined CSR as “Improving living standards of society and increasing firm’s profitability by serving all the stakeholders in a civilized manner”. According to Pour et al. (2010), businesses are not established just for maximizing their profits, but are also supposed to contribute to the welfare of society by protecting the surrounding environment. Akremi, Gond, Swaen, De Roeck, and Igalens (2015) coined the definition of CSR as “actions and policies of the organization that varies according to context and situation take account of stakeholders’ expectations and the triple bottom line of economic, social, and environmental performance”.

CSR-Profitability Relationship:

The type of relationship between CSR and corporate profitability is a complex one and corporations when implement CSR practices, sometimes get confused by looking its impact on profitability (Yingxi& Wenjun 2013). How CSR affects profitability? And what kind of relationship does CSR have with firm profitability are some of the questions that researchers raised in their studies while attempting to measure CSR-firm profits relationship. Research findings I this regard are mixed. Empirical researches measuring relationship of CSR and firm's profitability has arrived at a conclusion that majority of the researchers like Pava and Krausz (1996), Griffin and Mahon, (1997), Stanwick and Stanwick (1998), Orlitzky (2001), Orlitzky et al., (2003), Kolstad, (2007), Scholtens (2008), Van and Gössling (2008), Peloza (2009), Saleh et al., (2011) and Aguinis and Glavas (2012) reported positive relationship between CSR and profitability. Ruf, Muralidhar, Brown, Janney, & Paul, (2001) are of the view that corporation notices immediate as well as lifelong impact on its financial performance as a result of the enhancement in firm's socially responsible corporate activities. Moreno and Sellers-Rubio (2014) highlighted the importance of CSR activities by the firms and concluded that CSR positively affected firm's financial performance and profitability. Confidence level of shareholders increases if they come to know that CSR is in practice by the firm and its positive impact on firm's profit cannot be overlooked (Cormier, &Magnan, 2007). Having an insight on the importance of CSR (Menassa, 2010), business entities throughout the world, are aggressively integrating these practices in order to generate maximum income (Green &Peloza, 2011). CSR practices have proved to be a powerful regressor to influence the financial performance positively and an improvement in this can give rise to FP and profitability (Usman &Amran, 2015). Several researchers referred the interrelationship of CSR-profitability as positive which Orlitzky et al., (2003) termed as 'virtuous circle' which indicates that good financial performance is the result of improved social performance (Sun, 2012).

Kolstad (2007) on the other hand highlighted, that CSR performance of the firms cannot always go hands in hands with profitability. Moreover, the author considers it unethical practice if firms pursue CSR activities with an aim to increase their bottom-line performance. Despite of the fact that sometimes shareholders in the firm resist to surrender a portion of their profit for CSR activities still numerous firms are engaged in ethical CSR practices for maximizing their profit (Pava&Krausz, 1996). For a firm the essence of CSR is to comprehend its social responsibilities and fulfilling them by ignoring the positive or negative impact it has on the firm's profit (Kolstad 2007). Rainey, (2006) equates CSR spending to investment by the firms which may or may not contribute to the profitability of the firms. Pursuing CSR activities for instance installing environmentally friendly technologies, planting trees and maintaining green belts put additional burden on firm's resources thus by shrinking profit of the firm (Balabanis et al., 1998).

Lastly, studies by Aupperle, Carroll, and Hatfiel (1985) have concluded the absence of statistically significant connection between CSR and profitability. Due to the complex subjective nature of CSR, no concrete relationship can be established between CSR and profitability (Brammer & Millington, 2008; Lin et al., 2009; Aguinis&Glavas, 2012; Sun, 2012). Moreover, Porter and Kramer (2006) and Griffin and Mahon (1997) declared CSR-profitability relationship as nonlinear and a lot of other factors such as nature of industry, size & economic health of firm and many others of the kind can be held responsible for such relationship (Peloza, 2009). However, influence of these factors on the CSR-profitability relationship cannot be determined for the reason that small and large size firms benefited from CSR (Orlitzky's 2001). To a great extent, the tenderness of the firm towards CSR largely depends on the association of firm's social responsibility and profitability. Corporation will continue to spend on CSR activities till the time it has a positive bearing on the profit of the corporation. In a contrary situation, firms will reduce its spending on society.

RESEARCH METHODOLOGY

The study made use of longitudinal research approach to investigate relationship between CSR and financial performance of the petroleum industry of Pakistan over the period of 6 years (2014-2019). For the current study we have used secondary data as major sources of information. Data related to spending on CSR, ROE, ROA and profit after tax were extracted from the published annual reports of the eight companies from petroleum industry. ROA, ROE (Mulyadi, & Anwar, 2012) and profit after tax (Mahbuba& Farzana, 2013) were treated as dependent variables for the study and Corporate Social Responsibility (CSR) spending was taken as regressor. Natural log of CSR spending was taken and six years data ranging from year 2014 to 2019 related to ROE, ROA and Profit after tax of the same period were used.

Sample:

Currently there are ten companies in the petroleum sector of Pakistan that are listed on the Pakistan Stock Exchange. We selected all those listed firms for which data was available for the entire study period. The selected companies include, Mari Petroleum ltd., PSO, Shell Petroleum, Hascol Petroleum Company, Pakistan Refinery ltd., National Refinery ltd., Pakistan Petroleum & Attock refinery ltd. For studying the impact of firm's CSR on its financial performance, we employed panel data approach. Panel data regression model is used keeping in view the nature of the data as data contained both cross-sectional and longitudinal data. Firm's spending on CSR is taken as an independent variable and ROE, ROA & Profit after tax being measures of financial performance were taken as dependent variables.

Hypothesis:

H_1 *CSR spending positively affects ROA in petroleum firms in Pakistan*

H_2 *CSR spending positively affects ROE in petroleum firms in Pakistan*

H_3 *CSR spending positively affects PAT in petroleum firms in Pakistan*

ANALYSIS

We have applied fixed and random effect panel data regression models having CSR as our independent variable and ROA, ROE and Profit after tax are dependent variables. For regressing each dependent variable we have used separate Fixed and Random effect models and conducted Hausman test for selecting an appropriate model based on its results.

Table No 1

Panel Data Regression Fixed Effect Model

```
Fixed-effects (within) regression               Number of obs      =        48
Group variable: company                         Number of groups   =         8

R-sq:                                           Obs per group:
     within  = 0.0001                                         min =          6
     between = 0.5300                                         avg =        6.0
     overall = 0.1956                                         max =          6

                                                F(1,39)            =      0.00
corr(u_i, Xb)  = 0.6533                         Prob > F           =    0.9535
```

roa	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
logcsr	.1905851	3.247079	0.06	0.953	-6.377252	6.758422
_cons	4.121591	23.89772	0.17	0.864	-44.21611	52.45929
sigma_u	6.4942186					
sigma_e	7.7618767					
rho	.41177713	(fraction of variance due to u_i)				

```
F test that all u_i=0: F(7, 39) = 2.41                     Prob > F = 0.0378
```

Table No 2

Panel data regression random effect model

```
Random-effects GLS regression                   Number of obs      =        48
Group variable: company                         Number of groups   =         8

R-sq:                                           Obs per group:
     within  = 0.0001                                         min =          6
     between = 0.5300                                         avg =        6.0
     overall = 0.1956                                         max =          6

                                                Wald chi2(1)       =      4.59
corr(u_i, X)   = 0 (assumed)                    Prob > chi2        =    0.0321
```

roa	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
logcsr	4.02339	1.877181	2.14	0.032	.3441838	7.702596
_cons	-24.05591	13.91088	-1.73	0.084	-51.32073	3.208902
sigma_u	3.7273131					
sigma_e	7.7618767					
rho	.1873879	(fraction of variance due to u_i)				

Hausman test to select the required appropriate model for the data

Table 3

Hausman test (Fixed Effect versus Random Effect Model for CSR & ROA)

	Coefficients (b) fe	Coefficients (B) re	(b-B) Difference	sqrt(diag(V_b-V_B)) S.E.
logcsr	.1905851	4.02339	-3.832805	2.649474

```
                          b = consistent under Ho and Ha; obtained from xtreg
           B = inconsistent under Ha, efficient under Ho; obtained from xtreg

    Test:  Ho:  difference in coefficients not systematic

                  chi2(1) = (b-B)'[(V_b-V_B)^(-1)](b-B)
                          =        2.09
                Prob>chi2 =      0.1480
```

As the p value of Hausman test in table 3 is .1480 which is greater than .05, thus suggest random effect model. As per hausman test Random Effect Model suggest which is shown in table no 2, the P value is .0321 that is less than .05 which shows the overall significance of model. If we look at the individual variable p value it is also significant and R-sq is 53% which indicate that overall the model is good. F and T values are also significant. The results show significant relationship between CSR spending and ROA for petroleum industry thus by rejecting HO of no relationship. The result of the model shows that one unit increase in CSR brings 4.02 increase in ROA.

Table 4

ROE and CSR fixed effect model

```
Fixed-effects (within) regression               Number of obs      =        48
Group variable: company                         Number of groups   =         8

R-sq:                                           Obs per group:
     within  = 0.0157                                         min =          6
     between = 0.6117                                         avg =        6.0
     overall = 0.1992                                         max =          6

                                                F(1,39)            =      0.62
corr(u_i, Xb)  = 0.4727                         Prob > F           =    0.4349
```

roe	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
logcsr	13.39965	16.98229	0.79	0.435	-20.95028	47.74958
_cons	-91.2456	124.9856	-0.73	0.470	-344.0528	161.5616
sigma_u	19.753564					
sigma_e	40.594782					
rho	.19145072	(fraction of variance due to u_i)				

F test that all u_i=0: F(7, 39) = 1.10 Prob > F = 0.3804

Table No 5

ROE and CSR Random Effect Model

```
Random-effects GLS regression                   Number of obs      =        48
Group variable: company                         Number of groups   =         8

R-sq:                                           Obs per group:
     within  = 0.0157                                         min =          6
     between = 0.6117                                         avg =        6.0
     overall = 0.1992                                         max =          6

                                                Wald chi2(1)       =      9.76
corr(u_i, X)   = 0 (assumed)                    Prob > chi2        =    0.0018
```

roe	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
logcsr	23.44927	7.506678	3.12	0.002	8.736455	38.16209
_cons	-165.1271	55.55766	-2.97	0.003	-274.0181	-56.23607
sigma_u	7.6266405					
sigma_e	40.594782					
rho	.03409271	(fraction of variance due to u_i)				

Table No 6

Hausman test for Fixed Effect versusRandom Effect Model

	Coefficients (b) fe	(B) re	(b-B) Difference	sqrt(diag(V_b-V_B)) S.E.
logcsr	13.39965	23.44927	-10.04962	15.23312

b = consistent under Ho and Ha; obtained from xtreg
B = inconsistent under Ha, efficient under Ho; obtained from xtreg

Test: Ho: difference in coefficients not systematic

chi2(1) = (b-B)'[(V_b-V_B)^(-1)](b-B)
= 0.44
Prob>chi2 = 0.5094

As per table 6 the p value of hausman test is .5094 which is greater than .05 thus suggest random effect model. The P value in table 5 is .0018 that is less than .05 which shows the overall significance of model. F and T values are also significant. If we look at the individual variable p value .002, it is also highly significant and R-sq is 61% indicates as a whole the model is good. Overall, the results show highly significant and positive relationship between CSR spending and ROE for petroleum industry. The alternate hypothesis HI is accepted. The result of the model shows that on the average an increase of one unit in CSR spending brings about 23.449 increase in ROE.

Table No 7

Profit and CSR Fixed Effect Model

Fixed-effects (within) regression — Number of obs = 48
Group variable: compny — Number of groups = 8

R-sq: — Obs per group:
within = 0.0185 — min = 6
between = 0.3886 — avg = 6.0
overall = 0.2225 — max = 6

F(1,39) = 0.73
corr(u_i, Xb) = -0.6483 — Prob > F = 0.3965

profit	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
logcsr	-2800.265	3266.437	-0.86	0.397	-9407.256	3806.727
_cons	30362.66	24046.19	1.26	0.214	-18275.36	79000.68
sigma_u	15341.52					
sigma_e	7792.2479					
rho	.79492419	(fraction of variance due to u_i)				

F test that all u_i=0: F(7, 39) = 13.48 — Prob > F = 0.0000

Table No 8

Profit and CSR Random Effect Model

Random-effects GLS regression — Number of obs = 48
Group variable: compny — Number of groups = 8

R-sq: — Obs per group:
within = 0.0185 — min = 6
between = 0.3886 — avg = 6.0
overall = 0.2225 — max = 6

Wald chi2(1) = 0.07
corr(u_i, X) = 0 (assumed) — Prob > chi2 = 0.7858

profit	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
logcsr	786.6227	2894.411	0.27	0.786	-4886.318	6459.563
_cons	3986.333	21709.2	0.18	0.854	-38562.91	46535.58
sigma_u	11216.851					
sigma_e	7792.2479					
rho	.67449262	(fraction of variance due to u_i)				

Table No 9

Hausman test for Fixed Effect versus Random Effect Models

	Coefficients (b) fe	(B) re	(b-B) Difference	sqrt(diag(V_b-V_B)) S.E.
logcsr	-2800.265	786.6227	-3586.887	1513.934

```
                 b = consistent under Ho and Ha; obtained from xtreg
  B = inconsistent under Ha, efficient under Ho; obtained from xtreg

Test:  Ho:  difference in coefficients not systematic

              chi2(1) = (b-B)'[(V_b-V_B)^(-1)](b-B)
                      =        5.61
            Prob>chi2 =      0.0178
```

The appropriate model according to Hausman test (table 9) is fixed effect model as the p value is .0178 i.e. less than .05.The P value is .3965 in the table no 7 that shows the overall insignificant relationship between CSR and profit after tax. F and T statistics are also insignificant. The individual variable p value .397, it is insignificant and R-sq is 38% which indicate that the model is not good. Taken as a whole, the results show insignificant relationship between CSR spending and Profit after tax for petroleum industry thus by accepting the null hypothesis of no relationship. Pour, Nazari, &Imami (2014) in their articles highlighted negative association between CSR and profitability. The same insignificant relationship is supported by Samra, Shahid, & Farzana (2015) in their study conducted on Oil & Gas Development Corporation limited (OGDCL). Their findings showed insignificant impact of CSR spending on its profitability as spending on CSR is actually shrinking the profit of the firm.

CONCLUSION

Six years (2014-2019) financial data of CSR spending, ROA, ROE and Profit after Tax, extracted from the annual reports and financial statements of eight petroleum companies, listed in Pakistan Stock Exchange have been utilized for the current study. Panel data regression models were used. The study concluded that there is positive and significant relationship between CSR and ROA & ROE in the petroleum industry of Pakistan. However, the relationship between CSR and Profit after tax is insignificant and inverse. Our major findings from the study are given below.

- The relationship between CSR spending and ROA for the petroleum companies listed in PSX is positive and is highly significant to its effect. . Similar results and findings were generated by Wambui (2012) during his study. Hossain, Chowdhury, Evans, & Lema, (2015) have also find a positive and significant relationship between CSR and financial performance of the corporations when using accounting measures of return on assets
- The association of CSR with ROE is also positive and having a significant effect. Our findings are in line with the results of Lawrenzia (2010) Ahmed, Almsafir, & Al-Smadi,

(2014), Tsoutsoura (2014) and Gheli (2013) who established that a positive association existed between financial performance and CSR.

- The relationship of CSR spending with Profit after Tax for the listed petroleum companies of PSX is negative and having an insignificant effect. Our findings are in agreement with that of Gichohi (2016), Awan & Saeed (2015), Ahmed, Almsafir, & Al-Smadi, (2014), Tsoutsoura (2014) and Gheli (2013) and Nalini (2012).

Recommendation

In nut shell, the current study has proved that spending of CSR related activities no doubt, contribute to financial performance and business ought to spend on such CSR activities for improving their financial performances but it should not be taken as a sole measure for improving the financial performance. No doubt, profitability was, is and will be the primary motive for businesses yet there are many other goals that are needed to be accomplished. Some business organizations spend on carrying out social activities to be proved to be acquiescent to the law of the state in which they are operating, earn good fame in the eyes of their stakeholders and thus provide a conducive and work friendly environment. Other business entities engage themselves in fulfilling social responsibilities and enjoying effective public relations. The current study in light of their results recommends business firms to be a socially responsible citizen to increase over all financial performance and shareholders wealth.

In continuation of the current study, further studies could be done to include other financial performance variables like Tobin Q and market share of the listed companies in PSX. In order to gauge the impact of CSR in more detail other dimensions may also be included by the researchers in future. It is also recommended to take none financial performance as dependant variable along with financial performance of the companies listed at PSX. For getting more reliable and authentic results the time span of the study can be increased for another 6 years and thus the data of 10 or more years should be examine.

REFERENCES

Akremi, A., Gond, J.-P., Swaen, V., De Roeck, K., and Igalens, J. (2015). Do employees perceive corporate social responsibility? Development and validation of a multidimensional corporate social responsibility scale. J. Manag. doi: 10.1177/0149206315569311

Alfalih, A.A., & Hadj, T. B. (2020). Foreign direct investment determinants in an oil abundant host country: Short and long-run approach for Saudi Arabia, Resources, Policy, 10.1016/j.resourpol.

Aupperle, K. E., Carroll, A. B., and Hatfield, J. D. Hatfield, 1985, "An Empirical Examination of the Relationship between Corporate Social Responsibility and Profitability", The Academy of Management Journal, vol. 28, no. 2, pp. 446-463.

Baron, David P. and Harjoto, MaretnoAgus and Jo, Hoje,.(2009). The Economics and Politics of Corporate Social Performance Stanford University Graduate School of Business Research Paper No. 1993, Rock Center for Corporate Governance at Stanford University Working Paper No. 45, Available at SSRN: https://ssrn.com/abstract=1202390 or http://dx.doi.org/10.2139/ssrn.1202390

Chapple, W. and Moon, J. (2005) Corporate social responsibility (CSR) in Asia, Business and Society, vol. 44, no.4, pp. 415-441.

Cheung, Y.L., et.al. (2010). Does corporate social responsibility matter in Asian emerging markets? Journal of Business Ethics, 92, 401-413.

Choi, J.S., Kwak, Y.M., and Choe, C. (2010). Corporate social responsibility and corporate financial performance: Evidence from Korea. Australian Journal of Management, 35, 291-311.

Jo, H., and Harjoto, M.A. (2011). Corporate governance and firm value: The impact of corporate social responsibility. Journal of Business Ethics, 103, 351-383.

Edward Nelling& Elizabeth Webb, 2009. "Corporate social responsibility and financial performance: the “virtuous circle” revisited," Review of Quantitative Finance and Accounting, Springer, vol. 32(2), pages 197-209, February.

Green, T. and Peloza, J. (2011), “How does corporate social responsibility create value for consumers”, Journal of Consumer Marketing, Vol. 28 No. 1, pp. 48-56. doi: 10.1108/ 07363761111101949.

Hopkins, Michael, Corporate Social Responsibility: An Issues Paper (May 2004). International Labour Office Working Paper No. 27, Available at SSRN: https://ssrn.com/abstract=908181 or http://dx.doi.org/10.2139/ssrn.908181

Islam. (2012) Corporate Social Responsibility (CSR) and Issue to Corporate Financial Performance (CFP): An Empirical Evidence on Dhaka Stock Exchange (DSE) Listed Banking Companies in Bangladesh. European Journal of Business and Management, Vol 4, No.11.

Kolstad, I. 2007, "Why Firms Should Not Always Maximize Profits", Journal of Business Ethics, vol. 76, no. 2, pp. 137-145.

Lindgren, A., Swaen, V., and Johnston, W. (2009). The supporting function of marketing in corporate social responsibility. Corporate Reputation Review, 12, 120-139.

Mahbuba, S., Farzana, N. (2013). Corporate social responsibility and profitability: A case study on Dutch Bangla Bank Ltd. International Journal of Business and Social Research (IJBSR), Volume -3, No.-4, 139-147.

Mareș, R. 2008, The dynamics of corporate social responsibilities, MartinusNijhoff Publishers/Brill Academic Publi.

Margolis, J.D., and Walsh, J.P. (2003). Misery loves companies: Rethinking social initiatives by business. Administrative Science Quarterly, 48, 268-305.

McWilliams, A. & Siegel, D. 2000, "Corporate social responsibility and financial performance: correlation or misspecification?", Strategic Management Journal, vol. 21, no. 5, pp. 603-609.

Morsing, M. & Schultz, M. 2006, "Corporate social responsibility communication: stakeholder information, response and involvement strategies", Business Ethics: A European Review, vol. 15, no. 4, pp. 323-338.

Mulyadi, M. S., & Anwar, Y. (2012). Impact of corporate social responsibility toward firm value and profitability. The Business Review, Cambridge, 19(2), 316-322.

Mulyadi, M.S., and Anwar, Y. (2011). Investor's perception on corporate responsibility of Indonesian listed companies. African Journal of Business Management, 5, 3630-3634.

Orlitzky, M. (2001). "Does Firm Size Comfound the Relationship Between Corporate Social Performance and Firm Financial Performance?", Journal of Business Ethics, vol. 33, no. 2, pp. 167-180.

Orlitzky, M., Schmidt, F.L. &Rynes, S.L. (2003). Corporate social and financial performance: A meta-analysis. Organization Studies, vol. 24, no. 3, pp. 403-441.

Pour, S. B., Nazari, K. &Imami M., (2014). Corporate social responsibility: A literature review. African Journal of Business Management vol.8(7), 228-234.

Rainey, D.L. (2006) Sustainable business development: inventing the future through strategy, innovation, and leadership, Cambridge University Press Cambridge.

Ruf, B.M., Muralidhar, K., Brown, R.M., Janney, J.J. & Paul, K. (2001), "An empirical investigation of the relationship between change in corporate social performance and financial performance: a stakeholder theory perspective", Journal of Business Ethics, vol. 32, no. 2, pp. 143-156

Samra K., Shahid J. k., & Farzana S. (2015) Corporate Social Responsibility and Firm Profitability: A Case OfOiland Gas Sector Of Pakistan. City university research journal. Vol. 5, 110-119.

Solihin, I. (2009). Corporate social responsibility: from charity to sustainability. Jakarta: SalembaEmpat.

Waagstein, P.R. (2011). The mandatory corporate social responsibility in Indonesia: problems and implications. Journal of Business Ethics, 98, 455-466.

Sun, L. (2012) "Further evidence on the association between corporate social responsibility and financial performance", International Journal of Law and Management, vol. 54, no. 6, pp. pp.472-484.

Surroca, J., Tribó, J.A. &Waddock, S. 2009, "Corporate responsibility and financial performance: the role of intangible resources", Strategic Management Journal, vol. 31, no. 5, pp. 463-490.

Wibisono, Y. (2007). Concept and application of CSR. Gresik: Fascho Publishing

Yingxi, J., Wenjun, X. (2013). How does CSR influence a firm's profitability? A case study of Sandvik, dissertation thesis.