

A Contextual Framework of Corporate Social Responsibility and its impact Financial Performance – A Bibliometric Analysis

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Abstract:- This paper attempts to present an overview of research conducted in the area of Corporate Social Responsibility (CSR) individually and CSR relationship with Financial Performance through the use of Bibliometrics. Bibliometric Analysis helps in quantitative study of the research material available in the specific area of research. It provides a contextual framework of research carried out in terms of country wise, author wise, journal wise and citation analysis. The objective of this study is to identify the most influential authors in the area of CSR, the most influential country contributing to the research and the citation analysis of top journals and articles. Scopus database was used to conduct the Bibliometric Analysis. The findings from the study are that United States is the top country contributing to CSR research. The authors Lee and Lindgreen are the topmost contributors and India lags behind in the contribution of research in CSR. There are very few Indian authors who are contributing and very few research is conducted on Indian companies.

Keywords: Bibliometrics, Bibliometric Analysis, Corporate Social Responsibility, Financial Performance

JEL Classification: G30

I. INTRODUCTION

In the recent decade, the relevance of Corporate Social Responsibility (CSR) has witnessed a substantial increase in the corporate world. In Indian context, CSR has gained immense importance due to the recent change in the Companies Act 2013, With effect from April 1, 2014, every company, private limited or public limited, which either has a net worth of Rs 500 crore or a turnover of Rs 1,000 crore or its average net profit for the immediately preceding three financial years on corporate social responsibility activities. Due to this mandate, CSR has been gaining popularity recently in the Indian Context. Though, in a lot of developed countries, CSR is relatively more popular. There are numerous studies on CSR with related to developed countries. Developing countries, especially in India, CSR is considered more as a philanthropic activity rather than a strategic initiative.

The definition of CSR itself is a prominent issue in literature. There are several viewpoints regarding made by several authors about CSR. Davis (1973, pp.312-313) defined CSR as

“the firm’s considerations of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm to accomplish social benefits along with the traditional economic gains which the firm seeks”. As per the EU Commission, “CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”. Some authors argue that companies should not be concerned with socially responsible activities as the mere existence of the company is to make profits and not indulge in CSR. Authors like Milton Friedman supported the above point of view by stating “there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game that is to engage in open and free competition without deception or fraud”.

II. CSR AND FINANCIAL PERFORMANCE

This specific linkage of CSR and Financial Performance has been often tested by researchers using a series of statistical analysis and try to prove a correlation between socially responsible activities and financial performance outcome that can be either positive, negative or neutral. There are lot of variations in the relationship between CSR and financial performance and based on that Surroca, Tribo, and Waddock (2010), have analysed three possible causal relationship between the two variables . Figure 1 illustrates the three different relationships that is possible.

(See Figure 1)

The first relationship indicates that companies that are socially responsible and contributing to the society have a positive influence on the financial performance. This proves that CSR is the cause of better financial performance. There are studies in similar direction that have been done earlier like Cochran and Wood (1984), Mubeen Mujahid and Arooj Abdullah (2014), Theofanis Karagiorgos (2010) Wan Suhazeli Wan Ahamed et al. (2014). The second relationship highlights that corporate financial performance leads to corporate social responsibility. This is known as the “Slack Resource Theory” wherein it states that companies who perform better financially have availability of slack resources that provide the opportunity for the companies to invest in socially

responsible activities. Companies with a consistent financial performance are able to invest more in CSR. The third relationship illustrates that CSR and financial performance are interlinked, that is, CSR initiatives lead to a better financial performance and vice versa. There is also a fourth relationship that states that CSR has no relationship with Financial Performance. Similar type of analysis is provided by many authors where they have analysed CSR and Financial Performance Interlink but did not find any relationship like Sukanya Chetty, Rebekha Naidoo and Yudhvir Seetharam (2015), Ofori, Nyuur and Darko (2014), Mittal, Sinha and Singh (2008), Aupperle, Carroll, and Hatfield (1985).

III. BIBLIOMETRIC ANALYSIS

Bibliometrics is defined by the Karolinska Institutet Bibliometrics Project Group as “the application of mathematical and statistical methods to publications” and they also note that it is “often used to assess scientific research through quantitative studies on research publications” (Bibliometrics: Publication Analysis as a Tool for Science Mapping and Research Assessment, 2008, p. 2). The first formal definitions appear to have been coined as follows: Pritchard (1969, p. 348) defines bibliometrics as “the application of mathematical and statistical methods to books and other media of communication” Bibliometric analysis studies a various range of factors that are important in research like the impact factor, citation analysis, H-Index, etc.

IV. RESEARCH METHODOLOGY

This paper attempts to analyse the research conducted with respect to CSR itself and with respect to relationship between CSR and Financial Performance. To understand the prior research conducted, a bibliometric analysis using Scopus Database is used in the study. The research considered is for the time span of 20 years, that is, from 1997 to 2017. Initially the bibliometric analysis is carried out for research conducted on the broad topic of Corporate Social Responsibility in the area of Management Science. And then the bibliometric analysis was narrowed down further to research specifically in the area of Relationship between CSR and Financial Performance in the domain of Management Science. The detailed bibliometric analysis.

V. NEED & OBJECTIVE OF THE STUDY

The aim of this paper is to provide a general overview of research performed in Corporate Social Responsibility over the last decades using bibliometric methods. We use the Scopus Data as the database for collecting information. The objective is to be able to identify the most productive and influential research in CSR and Financial Performance and see the current trends in the area by considering the most influential papers and authors. Another objective is to understand CSR research in Indian context conducted for Indian companies.

VI. BIBLIOMETRIC METHODS

To understand the bibliometric analysis, it is important to select the articles that are going to be used in the process. For that purpose, and to conduct our study as unbiased as possible, we have used the information available in the Scopus database that is currently owned by Elsevier's. the database in Scopus covers a wide range of fields. Scopus is the largest abstract and citation database of peer-reviewed literature: scientific journals, books and conference proceedings. Delivering a comprehensive overview of the world's research output in the fields of science, technology, medicine, social sciences, and arts and humanities, Scopus features smart tools to track, analyze and visualize research. Currently there are over 22748 peer reviewed journals in Scopus with more than 66 million records of articles.

VII. CSR RESEARCH ANALYSIS

For the bibliometric analysis on CSR, we first did a search on “Corporate Social Responsibility” and further search in the field of “Management Science” as there is lot of other areas in which there was CSR research which was not relevant for this study. The time period that was considered for the research is 20 years. Overall we find that there are 143 journals that have published articles on CSR in the last two decades and the number of articles published in last 20 years is 7410.

(See Figure 2)

After analysing the top journals contribution to CSR (as shown in Figure 2), we now understand the contributions that have been made by different authors year wise. This would help in understanding the trend of CSR research that has been happening in recent times. From the year wise publication data of the last two decades, it is observed that there is a steady increasing trend in the research conducted in various CSR related topics. The year 2016 has the maximum publications of 978 articles as compared to 17 in 1997. Also the trend is steadily increasing on a yearly basis which shows that various research on CSR is gaining momentum in the recent times.

(See Figure 3)

The yearwise increasing trend further leads us to analyse the CSR contribution country wise, where we would understand the contribution of CSR by each country through articles and research papers. It is observed that United States has contributed maximum to the study in the area of CSR by having 1867 publications in the last two decades followed by United Kingdom contributing 1143 articles. In Indian scenario, we have 177 articles contributed and currently we are at the 11th position in terms of our contribution.

(See Figure 4)

Going further, after doing the country wise analysis, we carry out the author wise contribution to the area of CSR. We find that Lindgreen, A. has been the top contributor in the field of

CSR research with 32 articles to his credit. There are few other important contributors too namely Jamali, D., Pérez, A., Kolk, A. having 31, 23 and 22 articles to their credit respectively.

(See Figure 5)

Finally we conduct the most crucial aspect, that is, Citation analysis. Citation is the process where the impact of an article is measured by calculating the number of times the authors mention an article in their work. It counts the number of times an article is cited by other author in to assess the impact and quality of a publication or author. Scopus provides citation counts for articles indexed within the database. It can be analysed from Figure 5 that Journal of Cleaner Publication has the maximum citation in the year 2016 and it is growing at a rapid stage. Also Journal of Business Ethics also has steady growth in citations every year.

(See Figure 6)

VIII. CORPORATE SOCIAL RESPONSIBILITY AND FINANCIAL PERFORMANCE RESEARCH ANALYSIS

After doing the bibliometrics on CSR, we try and narrow down our search to CSR and Financial Performance in the field of Business Management and Economics & Finance. This area is specifically what we would want to analyse in detail and have a further research. Since traditionally CSR was perceived as philanthropic activity, there were not many studies focussing on the relationship between CSR and Financial Performance. Its recently that companies have started realising importance of CSR being helpful in financial performance and hence lot of research has been developed in the area.

We initiate the process by analysing the top journals that are contributing to the research of CSR and Financial Performance. We understand that there are total 648 articles that are published in the last 20 years from 1997 till 2017. Among the articles published, major articles have been published in the Journal of Business Ethics which contributes 100 articles and Social Responsibility Journal that contributes 23 articles.

(See Figure 7)

The analysis of top journals further takes us to studying the number of documents that have been published in the last two decades. It again shows a rising trend each year from the year 1997 till 2015. Only in the year 2016, it had marginally declined but that was not much of a difference.

(See Figure 8)

In Figure 9, we now see the most influential authors that have contributed to the research in the field of CSR and Financial Performance. This would help in understanding the important authors in this area and also in the journal that they have contributed to. Author wise data analysis is also helpful to get

understanding of wider scope of research done by the same author in the same field.

(See Figure 9)

We would also analyse the country wise contribution of articles on the topic of CSR and financial performance. This would help us in understanding which country has done maximum contribution and how the research can be further developed. In Figure 10 we find that again United States and United Kingdom are the maximum contributors in the research whereas India still has scope to improve.

(See Figure 10)

Further, we cover the citation analysis with respect to the publications of CSR and Financial Performance. For analysing citations, we first list out the citations that have happened in the last two decades in various Journals. As we see in Figure 9, Journal of Cleaner Productions has 29246 citations in the year 2016 followed by 24910 citations in the Strategic Management Journal.

(See Figure 11)

Also, when we carry out further Citation analysis on various authors, we first carry out H-Index Analysis on the Top 3 authors that have contributed to the CSR and Financial Performance Research articles. The H-Index is a numerical indicator of how productive and influential a researcher is. It was invented by Jorge Hirsch in 2005, a physicist at the University of California. Originally, Professor Hirsch wanted to create a numerical indication of the contribution a researcher has made to the field. This is how he explains it:

A scientist has index h if h of his/her N_p papers have at least h citations each, and the other (N_p-h) papers have no more than h citations each.

If the H-Index of an author is 20 then the author has 20 papers that are cited at least 20 times by other researchers. So if we analyse the H-Index for the topmost contributing author Lee S., we find that the H-Index is 7 but there are 425 citations for the author.

(See Figure 12)

The second most contributing author Moneva J.M. has an H-Index of 5 and 114 citations

(See Figure 13)

Similarly the author Scholtens B. who also has similar number of papers published as compared to Moneva J. M. has an H-Index of 5 but has better number of citations, which is 299.

(See Figure 14)

A further refined search on Scopus with the keywords “Corporate Social Responsibility, Financial Performance, India” the search results could only have 14 results. That too, out of that 14 results, only 6 papers had conducted a research on link between CSR and Financial performance with regards

to Indian companies. Also another point to be noted here is that, the research from Indian context in CSR has only started from 2008 as per the Scopus Database.

(See Table 1)

IX. CONCLUSIONS

The paper attempted to carry out a general bibliometric review of Corporate Social Responsibility and a detailed bibliometric analysis of Corporate Social Responsibility and Financial Performance. It was observed that United States is the most dominant country in contributing to the CSR studies. The main contributing authors of CSR are from UK and Beirut. The analysis also depicts that there is an increasing trend in the research of Corporate Social Responsibility over the world.

In Indian context, it is expected that the CSR research would also follow the increasing trend since there is a change in the Companies Act 2013. Currently India is lagging behind in the field of CSR research since CSR in India was not very popular. Also there are quite a few Indian authors contributing but very little research on Indian Companies. With this trend of compulsory CSR, it is expected that the companies would engage in more fruitful research that would benefit the company as well as the economy. The limitation of this study is that only Scopus Database articles are taken into consideration. There may be other articles that are worthwhile but not considered in this study.

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Web Links

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APPENDIX

List of Journals in Scopus for CSR

SOURCE TITLE
Journal Of Business Ethics
Social Responsibility Journal
Corporate Social Responsibility And Environmental Management
Corporate Governance
Journal Of Cleaner Production
Business And Society
Strategic Direction
Corporate Ownership And Control
Journal Of Business Research
Business Strategy And The Environment
Public Relations Review
Business Ethics
Corporate Communications
Corporate Governance Bingley
Management Decision
Business And Society Review
Critical Studies On Corporate Responsibility Governance And Sustainability
Business Ethics Quarterly
International Journal Of Business Governance And Ethics
Accounting Auditing And Accountability Journal
International Journal Of Hospitality Management
Strategic Management Journal
Journal Of Management Development
European Management Journal
Quality Access To Success
Business Horizons
Journal Of Management Studies
Corporate Environmental Strategy
Sustainability Accounting Management And Policy Journal
Journal Of Applied Business Research
Journal Of Communication Management
California Management Review
European Business Review
International Journal Of Law And Management
Corporate Governance The International Journal Of Business In Society
Corporate Reputation Review

International Journal Of Contemporary Hospitality Management
Developments In Corporate Governance And Responsibility
Problems And Perspectives In Management
Engineering Economics
International Journal Of Bank Marketing
International Journal Of Production Economics
Journal Of Marketing Communications
Asian Business And Management
European Journal Of International Management
Journal Of Human Values
Transformations In Business And Economics
Accounting Forum
European Journal Of Marketing
Harvard Business Review
International Journal Of Applied Business And Economic Research
Journal Of The Academy Of Marketing Science
Managerial Auditing Journal
Global Business And Organizational Excellence
Innovar
International Journal Of Human Resource Management
Marketing Intelligence And Planning
Organization
Supply Chain Management
Chinese Management Studies
Critical Perspectives On Accounting
Journal Of Management And Organization
Academy Of Management Perspectives
Academy Of Management Review
Baltic Journal Of Management
International Journal Of Innovation And Sustainable Development
Journal Of Consumer Marketing
Journal Of International Business Studies
Journal Of Management And Governance
Journal Of Marketing
Journal Of Services Marketing
Management Research Review
RAE Revista De Administracao De Empresas
Revista De Contabilidad
International Marketing Review
Journal Of Business Strategy

Journal Of Management History
Journal Of Retailing And Consumer Services
Systems Research And Behavioral Science
Thunderbird International Business Review
Corporate Communications An International Journal
Human Resource Management International Digest
International Journal Of Management Reviews
International Journal Of Retail And Distribution Management
Journal Globalization Competitiveness And Governability
Journal Of Brand Management
Journal Of Management
Management Communication Quarterly
Total Quality Management And Business Excellence
Accounting Review
Critical Perspectives On International Business
Espacios
Intangible Capital
Journal Of Corporate Finance
Long Range Planning
Organization And Environment
Organization Science
Organization Studies
Tourism Management
Universia Business Review
World Review Of Entrepreneurship Management And Sustainable Development
Business And Politics
Corporate Board Role Duties And Composition
E A M Ekonomie A Management
Global Business Review
International Journal Of Business Performance Management
International Journal Of Sport Management And Marketing
International Review On Public And Nonprofit Marketing
Journal Of Applied Accounting Research
Journal Of Macromarketing
Journal Of Sustainable Tourism
Scandinavian Journal Of Management
African Journal Of Economic And Management Studies
Corporate Governance Oxford
Industrial And Commercial Training
International Business Review

International Journal Of Business And Globalisation
International Journal Of Knowledge Culture And Change Management
Journal Of Air Transport Management
Review Of Managerial Science
Accounting And Business Research
Asia Pacific Journal Of Business Administration
Construction Management And Economics
Industrial Management And Data Systems
International Business Management
Journal Of Business Economics And Management
Journal Of Fashion Marketing And Management
Journal Of International Management
Journal Of Public Policy And Marketing
Journal Of Small Business Management
Revista Espanola De Financiacion Y Contabilidad
Social Marketing Quarterly
Sport Management Review
Accounting Organizations And Society
Australasian Marketing Journal
British Accounting Review
Business Society
Business Theory And Practice
Cuadernos De Administracion
Euromed Journal Of Business
Human Systems Management
International Food And Agribusiness Management Review
International Journal Of Production Research

Figures & Tables

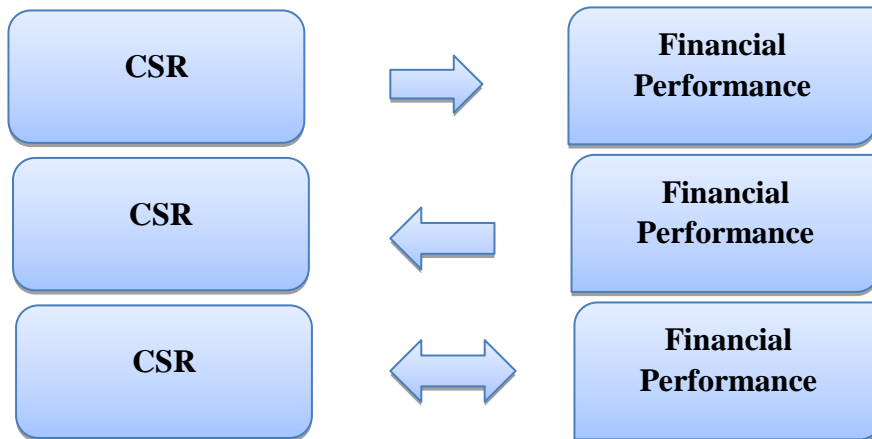


Figure 1: Relationship between CSR and Financial Performance

Figure 2: Source Top Journals – CSR - Scopus

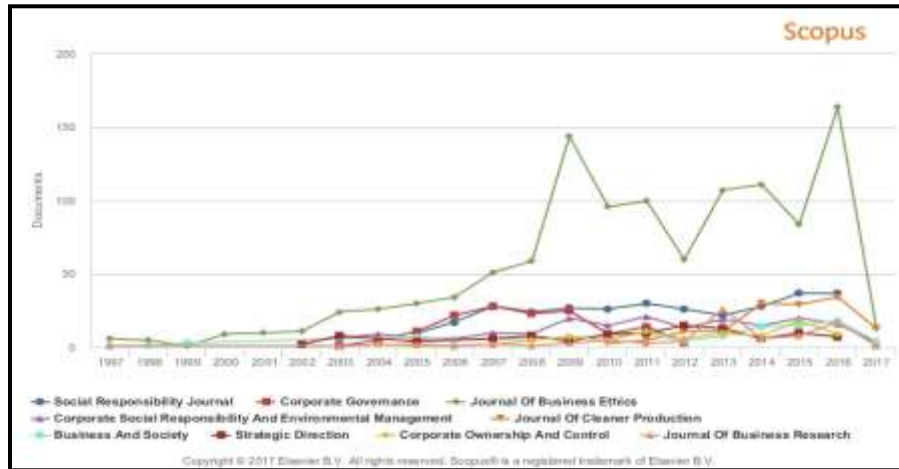


Figure 3: Year wise CSR contribution

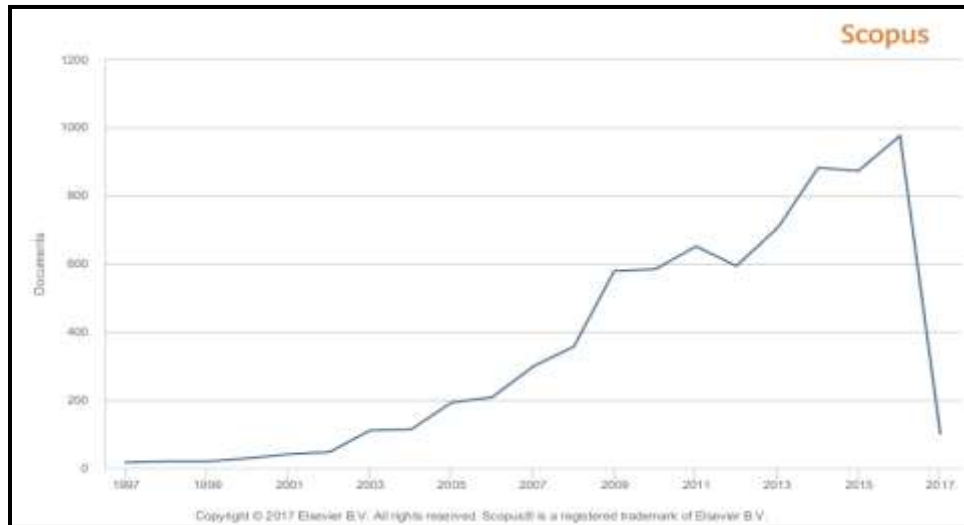


Figure 4: Country wise CSR contribution

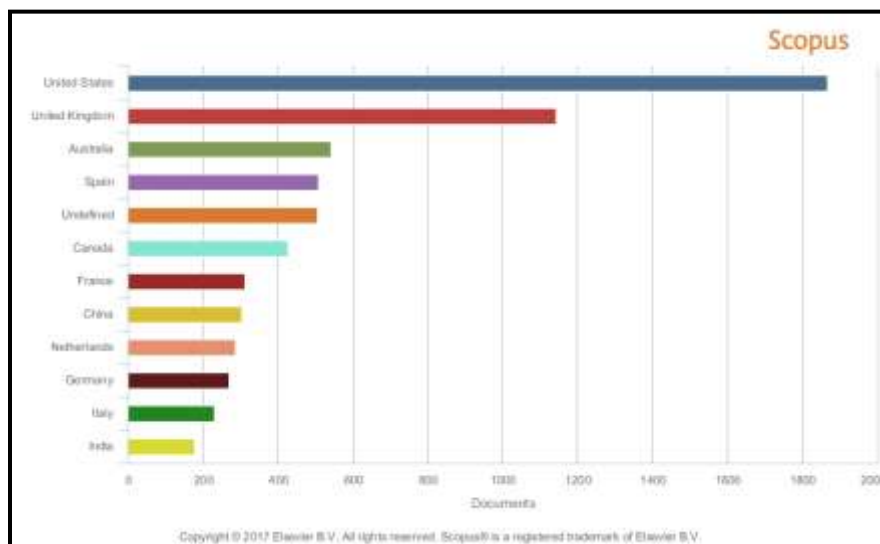


Figure 5: Author Wise CSR Contribution

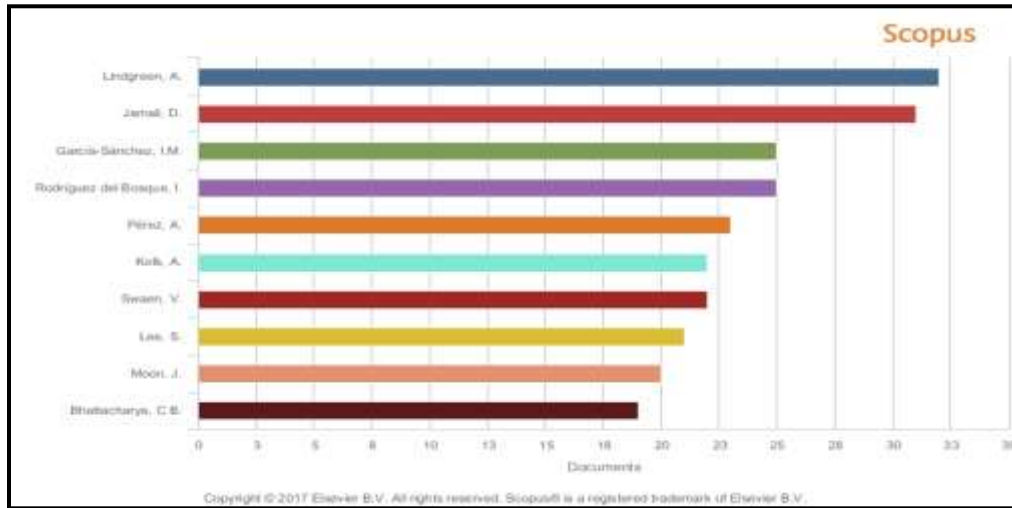


Figure 6: Citations of CSR Articles

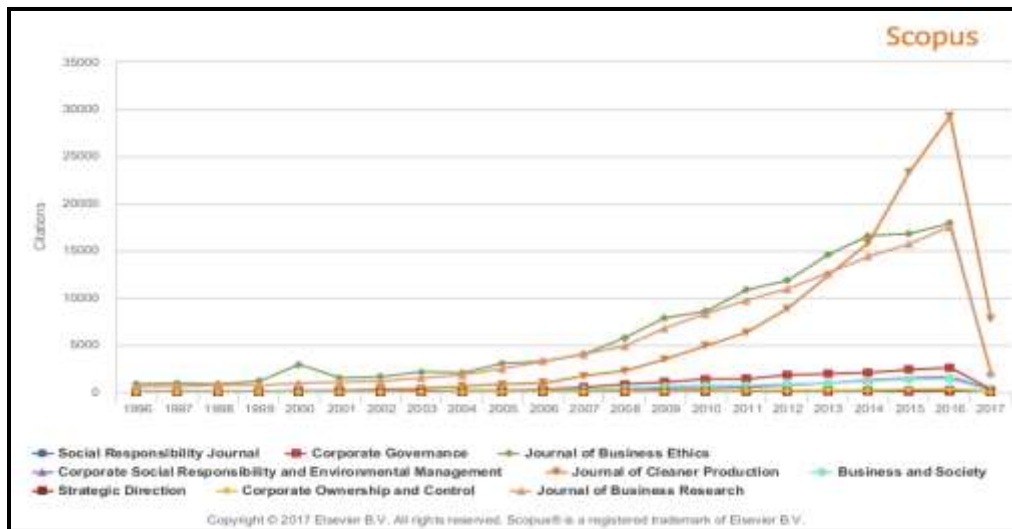


Figure 7: Source Top Journals – CSR and Financial Performance – Scopus

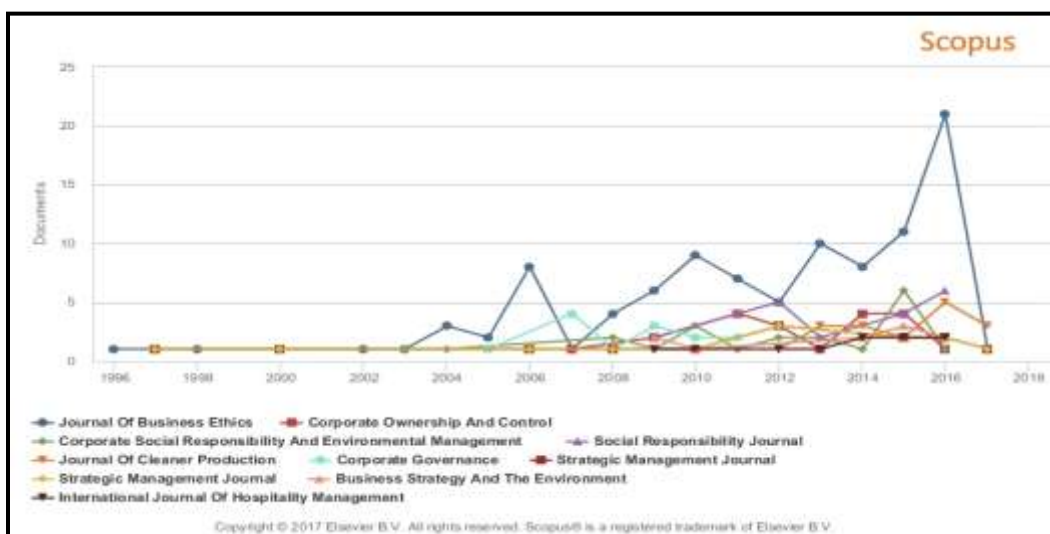


Figure 8: Year wise CSR and Financial Performance Articles

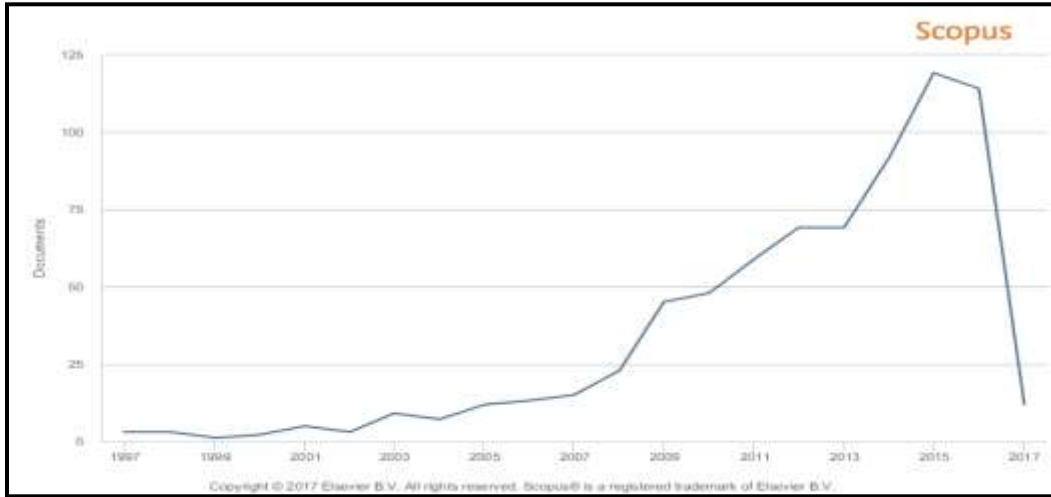


Figure 9: Author wise CSR and Financial Performance Articles

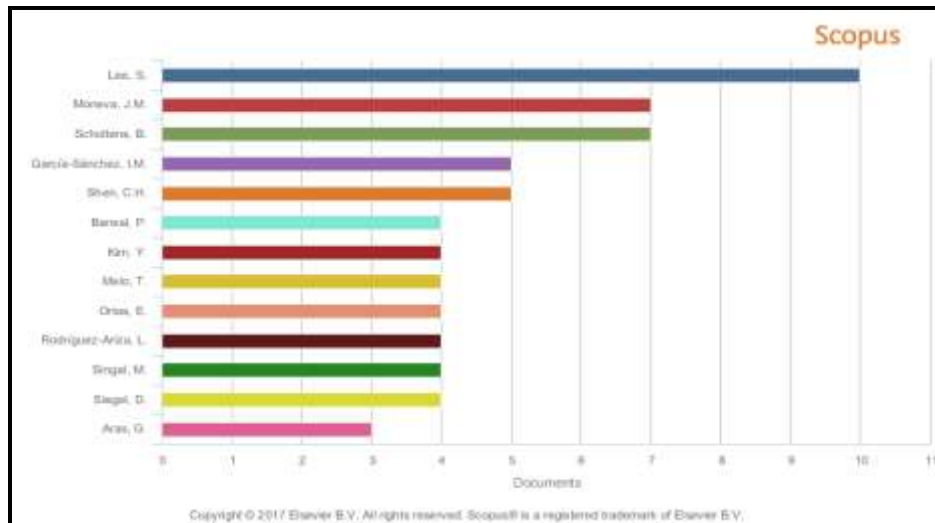


Figure 10: Country wise CSR contribution

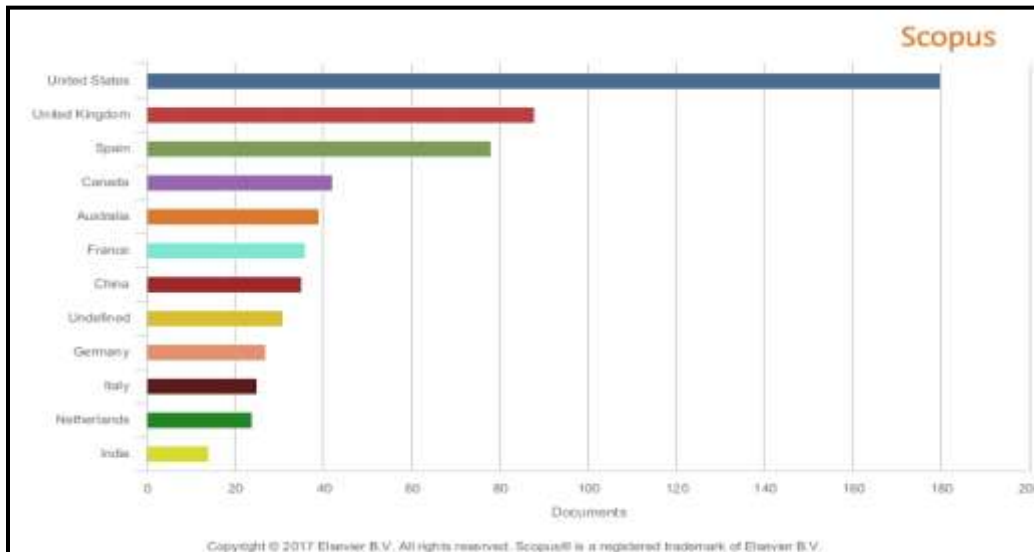


Figure 11: Citations – CSR and Financial Performance

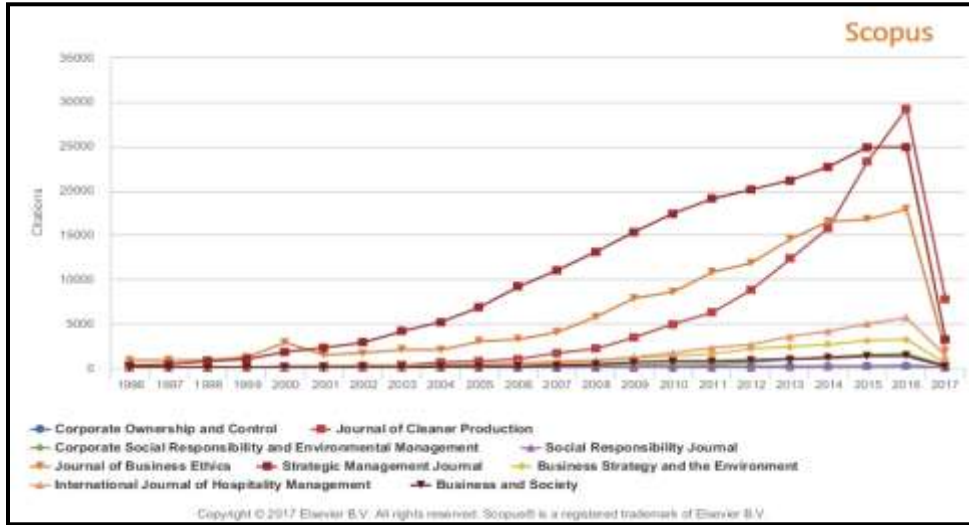


Figure 12 – H-Index - Author Lee

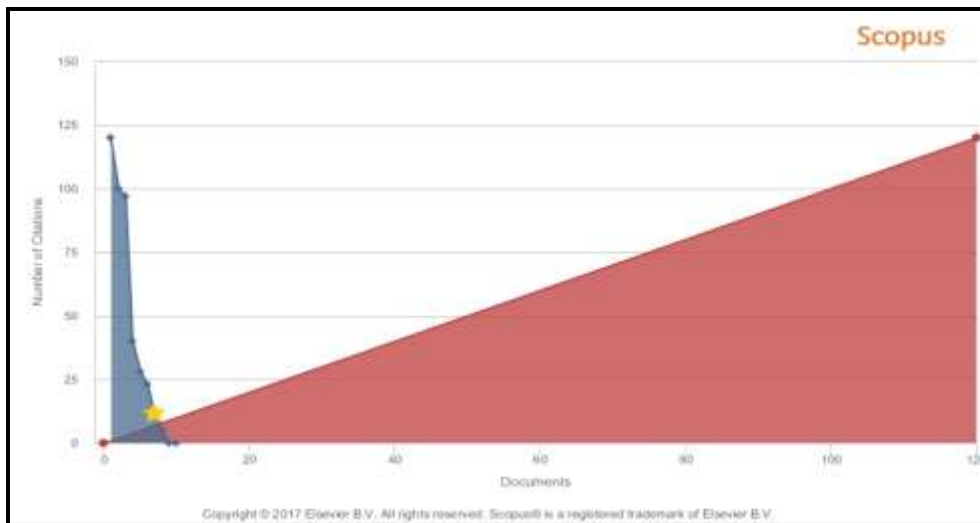


Figure 13: H-Index – Author Moneva J.M.

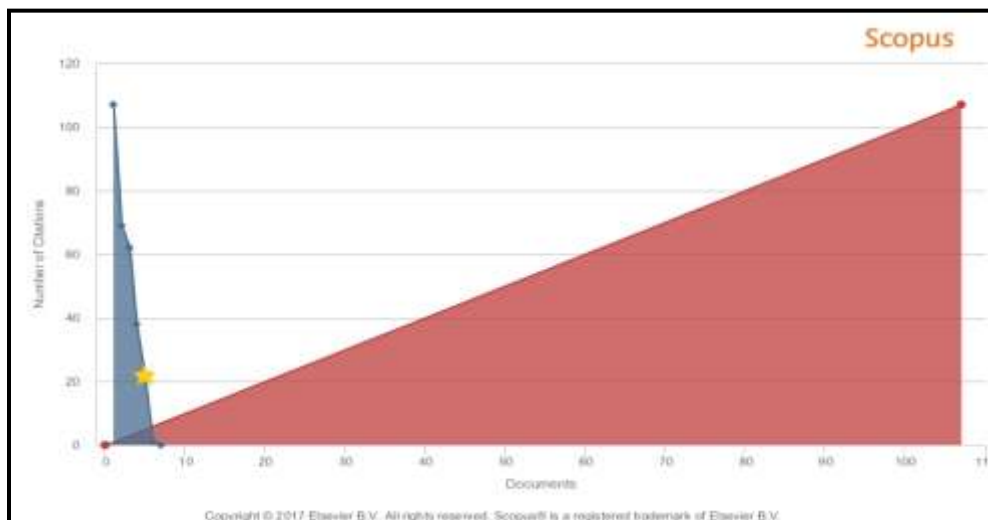


Figure 14: H-Index – Author Scholtens B.

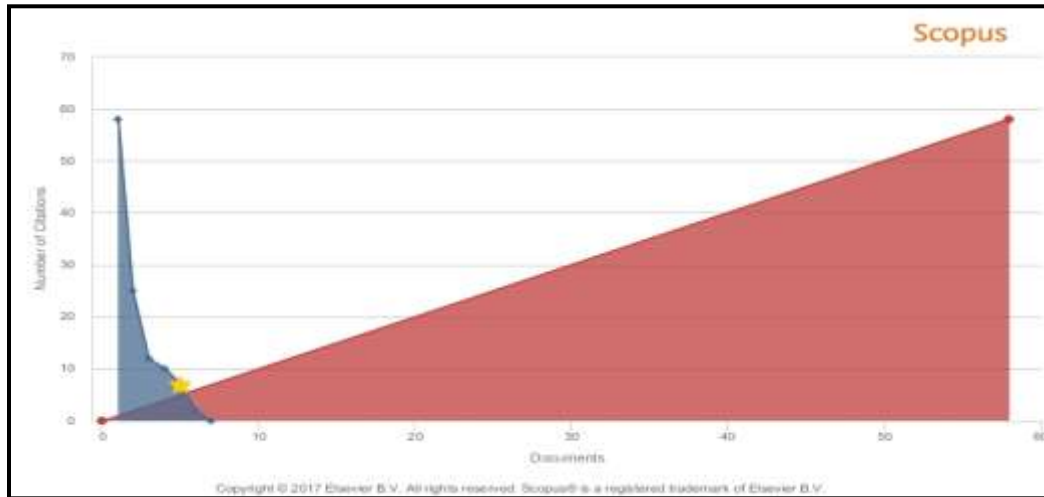


Table 1: CSR, Financial Performance, India - Research

Sr. No.	Title	Authors	Year	Publication
1	Board Gender Diversity, Financial and Social Performance of Indian Firms	Sanan, N.K.	2016	Vision
2	Antecedents and Consequences of Employer Branding	Biswas, M.K. Suar, D.	2016	Journal of Business Ethics
3	Linkage between Corporate Social Performance and corporate financial performance in Indian firms	Shetty, S. Sundaram, R.	2016	Proceedings of the 27th International Business Information Management Association Conference - Innovation Management and Education Excellence Vision 2020: From Regional Development Sustainability to Global Economic Growth, IBIMA 2016
4	Corporate social responsibility and corporate governance in India	Singh, A.S.Ambarkhane, D. Venkataramani, B.	2016	International Journal of Economic Research
5	In pursuit of original thinking: a selection of CMS papers	Foo. C. T.	2016	Chinese Management Studies
6	Corporate governance practices: The way of Tata Steel Ltd in India	Mallik R.	2016	International Journal of Applied Business and Economic Research
7	Corporate Social Responsibility (CSR) where Indian pharma corporates stand - Study with reference to corporate governance practices and CSR characteristics in a low-pressure turbine engine	Mehta, M., Chandani, A.	2015	Indian Journal of Science & Technology
8	Good business versus being good in business—relationship between financial performance and corporate social responsibility in India (Book Chapter)	Sanan, N., Rajput, N., Yadav, S.	2014	Implementing Corporate Social Responsibility: Indian Perspectives
9	Perceptions of Investors and Stockbrokers on Corporate Social Responsibility: A Stakeholder Perspective from India	Kansal, M., Joshi, M.	2014	Knowledge and Process Management
10	A new paradigm on ONGCs (India) initiatives for sustainable bio-diversity & community development	Giri J.P.N.	2012	Society of Petroleum Engineers - SPE Middle East Health, Safety, Security, and Environment Conf. and Exhibition 2012, MEHSSE - Sustaining World Energy Through an Integrated HSSE and Business Approach
11	Exploiting relational capital in family businesses through corporate social responsibility	Sharma, R.S., Ratri, M.I., Krishnamachari, A.	2012	IEEE 6th International Conference on Management of Innovation and Technology, ICMIT 2012
12	Flexible strategic framework for managing forces of continuity and change in retail banking business processes in India	Gupta V. K.	2012	Business Process Management Journal
13	Does it pay to be socially responsible? An empirical examination of impact of corporate social responsibility on financial performance	Kapoor, S., Sandhu, H.S.	2010	Global Business Review
14	An analysis of linkage between economic value added and corporate social responsibility	Mittal, R.K. Sinha, N. Singh, A.	2008	Management Decision