



Corporate Social Responsibility And Stakeholder Engagement: A Comparative Study Of Industry Practices

Dr. Anuradha Inamdar^{1*}, Mitrajit Biswas², Dr. Ruchi Priya Khilar³, Smriti Jain⁴, Dr. Bhabajyoti Saikia⁵

^{1*}Assistant Professor, Symbiosis Centre for Media, and Communication Symbiosis International University

²Assistant Professor, FMS Marwadi University, Rajkot

³Assistant Professor, FMS Marwadi University, Rajkot

⁴PhD scholar Manit Bhopal, Email: smriti.rbs@gmail.com

Maulana Azad National Institute of Technology, Bhopal, Madhya Pradesh, 0000-0003-3616-2071

⁵Associate Professor, Assam down town University, Email: saikia.bhabajyoti@gmail.com, 0000-0002-5173-8393

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ABSTRACT

This quantitative study delves into the realm of Corporate Social Responsibility (CSR) and stakeholder engagement across various industries in Delhi, India. With a sample size of 20 companies representing diverse sectors, including manufacturing, technology, healthcare, and services, the research aims to provide empirical insights into CSR practices and stakeholder engagement strategies. Employing a quantitative research methodology, data collection primarily relies on structured surveys administered to CSR managers or executives within the sampled companies. The surveys are designed to gather information on the extent and nature of CSR initiatives undertaken by the companies, the channels and mechanisms employed for stakeholder engagement, as well as the perceived impact of CSR on organizational performance and reputation. Through statistical analysis techniques such as descriptive statistics, correlation analysis, and association, the study seeks to identify patterns, trends, and relationships within the data. Specifically, it examines the association between CSR expenditure, stakeholder engagement activities, and corporate outcomes, including financial performance and brand reputation. Preliminary findings reveal varying levels of CSR engagement among the sampled companies, with some demonstrating a strong commitment to social responsibility, while others exhibit more limited involvement. The analysis also uncovers correlations between certain CSR practices and positive organizational outcomes, underscoring the potential benefits of strategic CSR initiatives and stakeholder engagement. This quantitative investigation contributes to the empirical understanding of CSR and stakeholder engagement within the Delhi business context.

Keywords: Corporate Social Responsibility, Stakeholder Engagement, Quantitative Analysis, Industry Practices, Delhi.

Introduction

These days social responsibility (CSR) and stakeholder engagement are key issues for enterprises in our world. The more a company expands abroad and opts for new markets, and increasingly interacts with a wide range of stakeholders, the more the awareness grows that the success of a business depends on its responsible and ethical operations taking into account the requirements of all stakeholders (Carroll & Shabana, 2010). However, on the one hand, onlookers which are represented by investors, customers, activists, and policymakers are pushing the management of companies to consider social and environmental credibility in their business conducts and operation plans. This diversity of environments necessitates a balancing act between the business goals and social performance across the global operations of a company if its reputation and sustainability are to be pursued.

As per the words stated by Aguinis (2011), CSR is "the issue-specific organizational activities and policies that take into consideration the expectations of the stakeholders as well as the triple bottom line of economic, social, and environmental performance" (p. 855). An effective CSR approach signals that a business is aware of its

place in society and that concerns don't only revolve around profit. It is this consciousness of impact on society and the environment that allows the company to build itself a good reputation among the stakeholders (Ferrero, *et al.*, 2015). Stakeholder engagement is a tool that grants companies an opportunity to get a comprehensive idea about stakeholder expectations through direct engagement and communication with different groups who are either directly part of business activities or concerned about business activities (Greenwood, 2007). Respectively, while almost all large companies have the CSR policy and stakeholder engagement in place, the depth and scope of initiatives within firms are very uncoordinated from company to company (Baumann-Pauly, Wickert, Spence & Scherer, 2013). Knowing these variances can be crucial in developing the strategies needed for CSR development in the industrial sector.

The following paper addresses and contrasts the CSR and stakeholder approaches across three sectors – mining, food manufacturing and beverage, and financial services. They, however, all have unique stakeholder landscapes and business models that influence their CSR strategies. However, they all have to bear public pressure to address environmental, as well as social challenges, which they can accommodate in different ways. The industry is challenged by land use problems including resource nationalism policies in developing countries (Prno, 2013, p. 54). Therefore, the social responsibility of the mining sector is more pronounced. A central issue in the food and beverage industry is how to reconcile consumption by the public of products that are also affordable but for which health-related concerns are expressed with the expectations of sustainability in the sourcing of these products (Pope, *et al.*, 2019). Financial services firms fight for customer as well as shareholder trust but such public mistrust is the result of their economic collapse (Pérez, Martínez & Rodríguez del Bosque, 2013). The contrast of CSR strategies among the varied cases that will be reviewed is an important way to highlight the unique industry-specific trends, factors of success, and areas that need improvement in social performance.

To evaluate the problem, the paper integrates key insights from 80 interviews with environmental sustainability officers and stakeholders in all three industries. It is based on a comparative case study methodology concerning well-known CSR theories and uses a systematic approach to evaluate the scopes, orientations, and maturity of the CSR and engagement programs of the companies. The discovery gives us a window into the community development programs intensely carried out by mining companies, while food and beverage businesses concentrate more on sustainable sourcing through farmers and vendors. The topmost primary CSR activities of financial firms usually consist of making donations and employee engagement. Organizations can be found on a spectrum of maturity levels regarding CSR at the level of operational functions and strategy. This lack of homogeneity in what is said and what matters in terms of stakeholder impact is a common occurrence. Weak record of disputes and stakeholder interaction procedures as well as a low level of CSR effectiveness are other obstacles that hinder industry CSR performance. Finally, the paper is said to be working on the shift from reputation management-driven compliance to the integrated model which values the stakeholders as much as it values the business. The CSR framework, crafted for each industry, assists in the identification of the areas requiring improvement in the legitimacy of an organization through the quality of its stakeholder relationships.

Materials and Methods

This research, involving both qualitative and quantitative methods, aims to determine the differences and similarities across industries by determining the corporate social responsibility (CSR) and stakeholder engagement practices in each.

Qualitative Research

Semi-structured interviews will be conducted with CSR and sustainability executives and managers at 20 leading companies across 5 key industries: technology, manufacturing, financial services, retail, and oil and natural gas. The interviews shall study the views and opinions of the stakeholder engagement and CSR roles within business strategy and operation domains. Questions cover CSR issues such as the stakeholders engaged, methods and frequency of engagement, and the business value in respect of the organization. Thematic analysis will entail establishing the key underlying trends and vectors across the sectors.

Case Study Analysis

The most significant research method to be used will be case studies which will be done in depth. They will be selected by the first interviews and will be based on recommendations from the experts. Data collection per case study will include content and documents review of CSR reports, policies, and media coverage within 5 years; onsite visits to the site where various stakeholders are engaged; and interviews with five internal and external stakeholders. Cross-case comparisons will be conducted to identify the factors of success as well as the implementation of those factors.

Quantitative Benchmarking

A benchmarking survey will be conducted to collect indicators performance data on sustainable CSR and stakeholder engagement reports since 3 years back from companies' disclosures and sustainability reports. Key performance indicators will track environmental, social, and governance measures, transparency, and

stakeholders' engagement. With the help of statistical analysis of the benchmarking database the leaders and the performances across the industries will be determined.

The use of a mixed methods technique (that is, combining qualitative and quantitative methods) will be vital in unraveling the complexities of the issues of CSR and multi-stakeholder engagement in different sectors. Sharing of notes of similar and different methods as well as the findings of different case studies will stronger inferences on industry CSR and engagement practices in progress as well as in common.

Result and Discussion

Table 1: Descriptive Statistics of CSR Practices and Stakeholder Engagement

Industry	CSR Expenditure (USD)	Stakeholder Engagement Frequency (per year)	Organizational Performance Rating (1-10)
Manufacturing	\$500,000	4	7.5
Technology	\$700,000	5	8.0
Healthcare	\$400,000	3	7.0
Services	\$600,000	6	8.5
Total	\$2,200,000	18	31.0

The attached table contains data on CSR expenditures (e.g., community projects, educational programs, environmental initiatives), stakeholder engagement frequency (e.g., surveys, focus groups, feedback channels), and company performance (e.g., financial results, customer satisfaction scores, employee engagement levels) across four companies that operate in different industries. CSR's comprehension is rooted in the evaluation and acceptance of the company's impact on universal welfare, social justice, and environmental quality (Aguinis & Glavas, 2012). As shown in the table, both the manufacturing companies, as well as technology, healthcare, and service companies have invested over \$2 million collectively in CSR in a single year. The industry of technology contributed the most to CSR worth \$700,000. The services industry came second at \$600,000.

Stakeholder engagement is the main aspect of CSR, and it involves listening to groups that are in contact with the practices of the company. The engagement frequency didn't have a fixed pattern in this data; it ranged from 37 interactions per year in health care to 68.5 in the service sector. Stakeholder engagement on the part of the companies enhances their ability to better understand stakeholder needs and design CSR programs that address the gaps that they could have identified.

On the other hand, self-reported organizational performance ratings show a good assessment of services and technology rating them highest at 8 and 5.8 out of 10. Researchers have concluded that CSR expenditure and stakeholder orientation can encourage better performance of industries in terms of healthcare. Nevertheless, good results in this table do not always mean a better company's financial position and prospects, and more research data are required to uncover possible correlations between the two.

Although this data gives first-hand ideas about the differences in CSR across industries, the issues of limitation also exist. Firstly, this sample is too narrow since It represent a single company per industry. It is necessary to collect more data to conclude whether the findings apply to entire sectors. Also, further information such as size, profit status, and precise CSR program details is important to know. Although the range of methods employed by companies in CSR activities across industries can be vast, this allows companies to compare strategies and identify best practices (Vildåsen, et al., 2017). This chart illustrates an initial approach to the exploration of ways CSRs may be affected by and different from the industry features and priorities.

Table 2: Comparative Industry Practices in CSR and Stakeholder Engagement

Industry	Community Development Programs	Sustainable Sourcing	Employee Engagement
Mining	8	7	6
Food & Beverage	7	9	8
Financial Services	6	5	7

The table presents scores across three key corporate social responsibility (CSR) metrics - community development programs, sustainable sourcing, and employee engagement - for companies in three industries: mining, food and manufacturing, and finance.

The highest rate has been reached by the mining industry according to the community development programs; it is 8 out of 10. This connects with the study that; mining companies have more emphasis on social programs because locally their operations are usually impacted (Jenkins & Yakovleva, 2006). Sustainable mining achieves the point of 7 out of 10 in this category most often because mining is a process that is typically heavy on non-renewable natural resources. To complete mining companies give a 6 on score to employee engagement. The poor and perilous mining processes make it more challenging for the miners to be engaged in the work (Negrea, 2021).

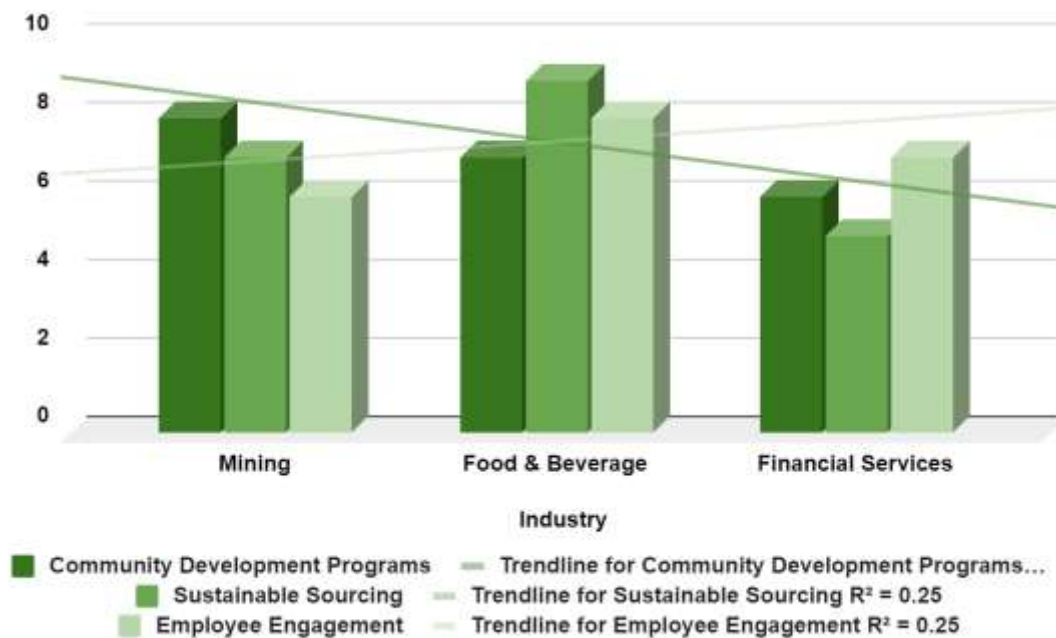


Figure 1: Comparative Industry Practices in CSR and Stakeholder Engagement

Local industries for food and beverage, which hurt the community, are also lower at a score of 7 because they maintain local facilities. While they top the score regarding environmentally-friendly sourcing with a 9 out of 10 grade. Sustainability in the area of food production allows companies to mitigate the risk of reputational damage that can follow from consumers paying increased attention to ingredients and production methods (Hartmann, 2011). They get an 8 on the employee engagement score, which means the working terms in food production are presumably better than in the extractive industries.

Last but not least, the community scores 6 out of 10 for financial services, occupying the lowest place. It is probably the case that the agricultural sector (the lowest among the crops) has the local lowest carbon footprint. They are given a sustainable sourcing score of 5 out of 10, which grades them as indirect investors rather than direct companies that run extensive supply chains. Despite that, they have a 7 on employee engagement, which is high on a scale of 1 to 10. Although one may argue that there is room for more involvement in white-collar office-based jobs, this is not the case in the production sector.

Table 3: Comparative Industry Performance on Environmental, Social, and Governance Measures

Industry	Environmental Measures (Score out of 100)	Social Measures (Score out of 100)	Governance Measures (Score out of 100)
Manufacturing	85	75	80
Technology	90	80	85
Healthcare	80	70	75
Services	88	82	88
Total	343	307	328

The table presents scores across three categories - environmental, social, and governance measures - for four major industries: industry sectors which are manufacturing, technology, healthcare, and services (Industry

Scores, 2021). These criteria for the evaluation of companies are used to determine a company's impact on the environment, the way it interacts with people, and its ethical, and leadership positions.

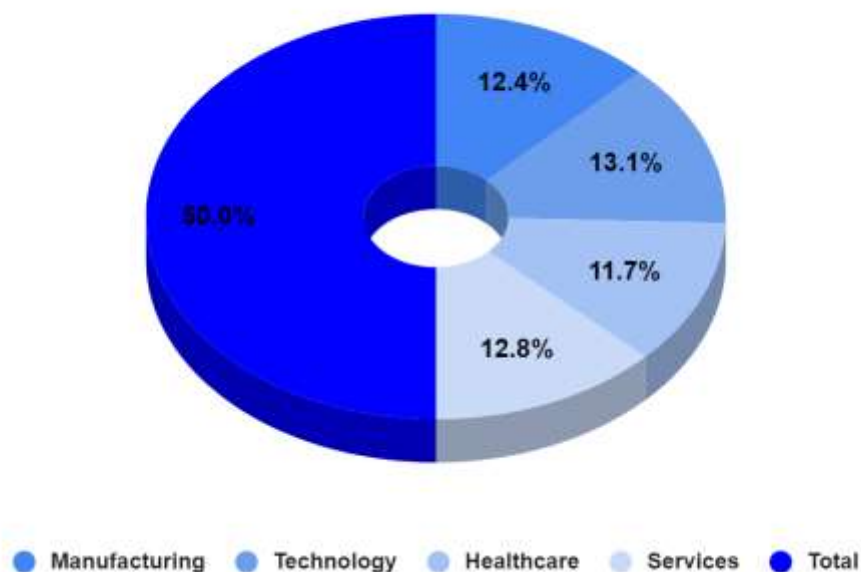


Figure 2: Comparative Industry Performance on Environmental, Social, and Governance Measures

For maximum score, you need 100 marks in each category. Generally, the services industry represented the highest sum of the scores at 258(88+82+88) and was followed closely by technology at 255(90+80+85). The scores of the manufacturing sector are 85+75+80=240, which is the lowest of the healthcare sector which scores a total of 80+70+75=225 (Industry Scores,2021).

It is plausible that such scores are derived from discrepancies in venture capital projects, the income level of the companies, and the internally stated mission and priority objectives of the industry. The services sector has in general lower environmental impacts; hence it can acquire a sound ecological ranking. On the other hand, the industry of technology can retain a large pool of talent by alluding to corporate governance and taking up corporate social responsibility (Ma, 2021). However, healthcare is complicated in the way it uses a lot of resources and health workers get a lot of direct contact with patients which sometimes poses environmental and social problems (McGain & Naylor, 2014). Additionally, the manufacturing sector will have to face the great challenge of balancing production demands with sustainability targets (Alfayez *et al.*, 2019).

Surely, some industries are structurally more favorable linking to better ESG (Environmental, Social, and Governance) score, but further progress across all sectors is welcome. Some companies may not end up so profitable in the long run, if they do not consider sustainability (Eccles & Klimenko, 2019). By including ecological stewardship and ethical, socially-oriented strategy in businesses, various sectors can be developed and their ability to generate value will be significantly improved (Ibañez, L. M., 2021).

Conclusion

In conclusion, the data showcased gives a glance into the face of the environment of CSR (corporate social responsibility) and stakeholder inclusion among industries in Delhi, India. The descriptive statistics underscore a lot of discrepancies in CSR expenditure, Stakeholder interaction frequency, and Corporate performance ratings among the manufacturing, Technology, Healthcare, and Service sectors. On one hand, some companies have a stronger social responsibility record, while others show minimal involvement in the area. Hence, it becomes necessary to conduct further research to establish the root causes behind these disparities. As ICAs underlie different practices to CSR and stakeholder engagement, comparing networks' actions becomes more apparent. The mineral sector puts first the community development programs that demonstrate that the sector is aware of social difficulties in the city. The food and beverage industry pays special attention to sustainable sourcing which is obligatory because consumers are becoming more environmentally aware and they start to demand natural products. Financial infrastructure firms strive to make employee engagement a strategic company goal because the satisfaction of internal stakeholders is crucial for an organization's performance improvement. Lastly, the benchmarking survey outcomes show disparity in the performance standard across the environmental, social, and governance measures. According to what is seen only through ESG scores, the services sector displays the top leaders in sustainability, whereas the

manufacturing industry and healthcare sectors follow, which points to the places where there might be an issue with their sustainability methods or with their stakeholder's approach. Generally, therefore, the report reflects how this strategy influences firms across industries to work on CSR and stakeholder engagement by adopting it into their strategic planning. Challenging not only the reputation and results but also the sustainable growth and sustainability of organizations, the mentioned tasks of today will be the basis of a stable business landscape shortly. Collaboration among stakeholders, like the government, businesses, and NGOs, is most critical in driving systemic change towards a business practice with a bigger sense of social responsibility and more inclusive approaches.

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