Corporate Social Responsibility Management

Gulnara Raisovna Chumarina¹ & Guzel Azatovna Abulkhanova²

¹ Department of General Management, Institute of Management, Economics and Finance, Kazan Federal University, Russia

² Department of Management, Kazan Innovation University named after Timiryasov V.G., Russia

Correspondence: Gulnara Raisovna Chumarina, Department of General Management, Institute of Management, Economics and Finance, Kazan Federal University, Russia. Tel: 7-905-377-1287. E-mail: nara712@mail.ru

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Abstract

This article considers current trends and features of the development of corporate social responsibility in Russia in the current crisis, the reasons for the lack of organizations activity in the social responsibility field. The article also determines the impact of the company's social policy on the formation of labour motivation and loyalty of company employees, a positive image of the company for both personnel and the environment. Social responsibility is relevant for all types and sizes of organizations, but it has received the greatest development in large public and the private business community. Russian companies are actively involved in this process. The number of such companies is increasing from year to year. Small and medium-sized businesses are gradually connecting to them. And in the current crisis, corporations and large companies are in an environment where charity projects are actually a “matter of honour” for the company. The problem urgency of corporate social responsibility is due to modern requirements for companies presented by society and the authorities to conduct socially responsible business. In turn, this approach to doing business ensures the sustainable development of companies and leads to the creation of a favourable investment and reputation image.

Keywords: corporate social responsibility, business, stakeholders, social policy, corporate volunteering

1. Introduction

While governments have traditionally been solely responsible for improving people's living conditions, societies need more than governments can afford. In this regard, the view is shifting from governments to the role of economic activities of individuals and companies in society and is focused on businesses; Progressive companies seek to differentiate themselves from others in terms of the degree of involvement and attention to social responsibility. Corporate social responsibility is understood as the commitment of an individual or organization to the shape of society - which includes people as well as the physical environment - when the consequences of their actions do not only affect themselves (Adnan et al., 2018; Visser et al., 2019). Corporate social responsibility has long attracted the attention of academics, researchers, NGOs and the government and has become one of the most important aspects of corporate operations. Increasing the globalization of business, increasing the strategic importance of stakeholder relations and the growth of corporate image management are the three key factors and main drivers in increasing the importance of corporate social responsibility (Farrington et al., 2017; Freeman & Dmytriiev, 2017; Maqbool & Zameer, 2018; Benyaminova et al., 2019; Voronkova et al., 2020).

There is no complete consensus on the definition of corporate social responsibility; The definition provided by the World Business Council For Sustainable Development in 2001 is: “The commitment of business and commerce to work together for sustainable economic development, working with workers, their families, the local community and Finally, the whole community so that they can improve their quality of life.”: Hence, the main idea of corporate social responsibility is that companies are committed to working to meet the needs of a wide array of stakeholders. More formally, corporate social responsibility is a set of management activities that ensure that the positive impact of corporate operations on society is maximized; Or operations that meet or exceed the laws, ethics, business, and public expectations of the business. When a company is committed to its social responsibilities, it can disclose it to stakeholders (Wang & Sarkis, 2017; Advantage, 2020). This allows stakeholders and the community to distinguish such companies from other companies (Bessong & Tapang, 2012; Hizam et al., 2019). Corporate Social
Responsibility Reporting or Corporate Social Responsibility Disclosure and Disclosure of Environmental and Social Information in Annual Reports and Websites is gaining popularity. Disclosure of such information is more voluntary and, therefore, the corporate social responsibility disclosure literature focuses mostly on the reasons for corporate disclosure. Companies can have different motives and reasons for disclosing their social responsibility (Ali et al., 2017; Jamali & Karam, 2018; Agudelo et al., 2019).

Corporate social responsibility implies the organization's responsibility for the impact of its decisions and activities on society and the environment through transparent and ethical behaviour that contributes to sustainable development, including the health and well-being of society; takes into account the expectations of interested parties, as well as complies with approved legal standards (Henry et al., 2016; Zaretsky, 2016; Bataineh et al., 2018).

Corporate social responsibility of business involves the promotion of responsible business practices that benefit businesses and society, as well as contribute to social, economical and environmentally sustainable development by maximizing the positive impact of business on society and minimizing the negative burden on the environment (Belyaeva, 2015; Tysiachniouk et al., 2018).

In modern conditions, corporate social responsibility also means the company's obligation to contribute to sustainable economic development, labour relations with the employees, their families, local community and society as a whole to improve the quality of their lives (Belyaeva, 2015; Contini et al., 2019).

Despite the fact that a large number of Russian companies have declared their adherence to the CSR principles, there are many such that behave irresponsibly towards their employees in practice. The most obvious evidence of this behaviour is salarising payment delays, which is seen as a violation of the law and failure to fulfil obligations to the employees. Therefore, CSR theorists have long determined that compliance with legal standards refers to minimum CSR. In the Russian case, the minimum social responsibility in relation to the employees involves the execution of the Labor Code. In addition to fulfilling the state regulatory requirements for the employers established by the state, the companies can take on additional social obligations (Belyaeva, 2015; Averin, 2014).

The positive and negative results of the company's active corporate social policies can be given in Table 1.

Table 1. Benefits and costs of active corporate social policies for companies (Abulhanova et al., 2016)

<table>
<thead>
<tr>
<th>Company's benefits</th>
<th>Company's costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sending the company's incomes for social needs, which increases personnel loyalty and effectiveness.</td>
<td>1. Reduction of funds required by the organization for strategic development.</td>
</tr>
<tr>
<td>2. Improving the life of the local community, which is the main supplier of labour sources for the companies.</td>
<td>2. Costs associated with the development of a new type of activity (corporate volunteering), not related to commercial activities.</td>
</tr>
<tr>
<td>4. Attractive investment and reputation image of the company.</td>
<td>4. Inclusion of social costs in the price of products and, as a consequence, rise in their prices.</td>
</tr>
</tbody>
</table>

Summarizing the above, the authors came to the conclusion that corporate social responsibility is the organization's responsibility for the impact of its decisions and activities on society and environment through transparent and ethical behaviour.

One of the social responsibility application areas is labour practices related to work carried out within or on behalf of the organization. These include issues of hiring and employees promotion (in office); disciplinary and dispute resolution procedures; transfer or relocation of the employees to other places; employment termination; training and skills development; health, safety and environment; as well as any policies or practices affecting working conditions (in particular, working hours and remuneration) (Milkinina, 2018).

Thus, if the company wants to be socially responsible in relation to its employees, it shall develop its personnel, study its interests and expectations through various tools, communication channels and feedback, as well as take them into account when developing and implementing its strategy.
2. Methods

Corporate social responsibility in today's business can be divided into several broad categories (Simchenko & Piskun, 2019):

- **Environmental measures**: One of the most important parts of corporate social responsibility is the environment. Businesses create some environmental pollution, regardless of the size and volume of work. Any action to reduce this pollution is beneficial for both the company and the community as a whole.

- **Humanitarian actions**: Another way businesses do in the area of social responsibility is to work with charities at the national and local levels. Businesses have a lot of resources that can help charities and local programs in their neighbourhoods.

- **Ethical treatment of the workforce**: Companies can fulfil the social responsibility of the organization by treating their employees fairly and ethically. This is especially true for businesses that operate internationally and in countries with different labour laws.

- **Voluntary contributions**: Attending volunteer events shows the company's honesty. By doing positive things without expecting rewards or revenue, companies can show their concern about various issues and raise their support for some organizations.

To analyze the definitions of corporate social responsibility, an analytical table of different dimensions of corporate social responsibility is presented (Table 2).

<table>
<thead>
<tr>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Natural environment / environment</td>
</tr>
<tr>
<td>Social Relationships between the business unit and the community</td>
</tr>
<tr>
<td>Economic Financial aspects and socio-economic effects</td>
</tr>
<tr>
<td>Beneficiaries Stakeholders or groups of stakeholders</td>
</tr>
<tr>
<td>Volunteers Actions/behaviours beyond the law and the requirements of the business environment</td>
</tr>
</tbody>
</table>

Most studies in the field of corporate social responsibility focus on developing economies, which are descriptive in nature and are conducted to analyze the content and scope of the disclosure in annual reports. These studies have mainly examined the reasons for corporate social responsibility in terms of managerial and organizational motivations. The development of corporate social responsibility in emerging economies has been largely limited to managers' understanding of corporate social responsibility through qualitative methods, and the most important reason for not presenting and disclosing corporate social responsibility is the lack of mandatory requirements and regulations. It is believed that without legal and professional requirements, companies are reluctant to disclose voluntarily and also the difference between the content of corporate social responsibility in developed and emerging economies, due to differences in socio-political economy and technology development between these countries (Contini et al., 2020; Kireeva et al, 2020).

From the perspective of social responsibility theory, granting concessions to companies is only justified if they participate in increasing social welfare. Due to the continuity of companies 'actions with a number of social stakeholders, obligations regarding information disclosure, financial obligations and the need to approve companies' decisions are fulfilled. In the case of other social groups that are not in the corporate stakeholder chain, commitments are active in nature. These active commitments include responsibility for improving the living conditions of people living in the company, improving the situation of disadvantaged social groups, or putting pressure on other organizations (including banks and the government) to change social regulations and practices. The social dimension in the category of sustainability is related to the effects that the organization has on the social systems in which it operates.

Organizations developing corporate social responsibility standards play a significant role in developing this concept by creating frameworks, defining their scope and boundaries, and promoting the implementation of corporate social responsibility. Components of social performance according to the GRI and ISO 26000 as the dominant international guidelines in this regard, the performance focuses on the axes of labour action, human rights, society and product
responsibility (Jahid et al., 2020).

The World Reporting Organization (GRI) was established in 1997 to develop guidelines for three-dimensional economic, social and environmental reporting. Its goal is to raise the level of sustainability disclosure based on 79 indicators that measure the organization’s ability to meet public, ethical, legal and public expectations through organizational operations and companies (Michalczuk & Konarzewska, 2020). Currently, more than 6,000 organizations/companies in more than 70 countries use this guideline to submit sustainability reports, and it is widely used as one of the most common global standards for sustainability reporting. A Sustainability Report is a report published by a company or organization on the economic, environmental, and social impacts of its day-to-day operations. The sustainability report also reflects the values and governance model of the organization and shows the relationship between the organization's strategies and its commitment to a sustainable global economy. An increasing number of companies and organizations want to sustain their operations and participate in sustainable development. Sustainability reporting can help organizations measure and report on their economic, environmental, social, and governance performance. Sustainability is performance-based in these four key areas. Systematic sustainability reporting helps organizations measure the impacts they create or experience, set goals, and manage change. It is a key platform for informing performance and performance effects, both positive and negative. Reporting the sustainability of the disclosure procedure and being accountable to internal and external stakeholders for the organization's performance towards sustainable development goals. It is a broad term that is considered similar to other terms (such as corporate social responsibility) used to describe reporting on economic, environmental, and social impacts (Olanipekun & Omotayo, 2020; Thomas, 2019)

The International Organization for Standardization (ISO), as a non-governmental organization, established its social responsibility standard in 2010 under the title ISO 26000 with the participation of more than 500 people from all over the world (Hitztaler et al., 2020). These groups include: industry activists, labour organizations, consumers, governments, NGOs and researchers, and as one of the well-known guidelines in the field of corporate social responsibility, the main dimensions of which include the following (Mahjoub, 2019; Prayuda et al., 2020):

- Organizational organization
- Human rights
- Work activities
- Environment
- Fair operational activities
- Customer issues
- Community Participation and Development

As mentioned earlier, in the current study, it was tried to consider the current trends and features of the development of corporate social responsibility in Russia in the current crisis, the reasons for the lack of organizations activity in the social responsibility field. The article also determines the impact of the company's social policy on the formation of labour motivation and loyalty of company employees, a positive image of the company for both personnel and the environment. The research methods include systemic, sociological methods, analysis, synthesis, generalization. The study methodological basis is the works of domestic and foreign scientists. Modern research is preceded by the fundamental works on the social responsibility of business in the second half of the 20th century (Bowen, 2013).

3. Results and Discussion

The study was based on the company LLC Gazprom transgaz Kazan, a subsidiary of the gas transportation company PJSC Gazprom, the enterprise of the fuel and energy complex of the Republic of Tatarstan.

The corporate social policy at LLC Gazprom transgaz Kazan is fully integrated into the CSR of PJSC Gazprom. Directions of the company's corporate social policy:

1. Foreign social policy.
2. Internal social policy.

Foreign social policy is aimed at supporting sports, charity, scholarships, poor and vulnerable. The corporate social protection and personnel management department, as well as the joint trade union of Gazprom transgaz Kazan, are involved in the implementation of corporate social policy in the company.

Let us consider the main directions of foreign social policy. Charitable assistance is provided to sponsored
orphanages, military schools, social welfare institutions, as well as creative intelligentsia, and public organizations on an ongoing basis.

The company Gazprom transgaz Kazan makes a significant contribution to the revival of architectural and spiritual monuments - the city of Sviyazhsk and the city of Bulgar, - which will soon become centres of religious pilgrimage, the stronghold of religious education programs of traditional religious denominations.

Close attention on the part of the company's management is paid to the issues of motherhood and childhood - payments to large families, compensation for keeping children in preschool institutions, a monthly allowance for low-income families and families with dependent children with disabilities.

Much attention is paid to the issues of motherhood and childhood - payments to large families, compensation for keeping children in preschool institutions, a monthly allowance for low-income families and families with dependent children with disabilities (Table 3).

Table 3. Support for motherhood and childhood in LLC Gazprom Transgaz Kazan, 2017-2019 (million roubles)

<table>
<thead>
<tr>
<th>Support directions</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time financial assistance at childbirth</td>
<td>40.324</td>
<td>45.345</td>
<td>48.278</td>
</tr>
<tr>
<td>Monthly benefits for child care up to 3 years old</td>
<td>115.576</td>
<td>116.005</td>
<td>118.123</td>
</tr>
<tr>
<td>Compensation for keeping children in preschool institutions</td>
<td>71.067</td>
<td>73.564</td>
<td>75.079</td>
</tr>
<tr>
<td>Total</td>
<td>226.967</td>
<td>234.914</td>
<td>241.48</td>
</tr>
</tbody>
</table>

Organization of recreation for employees and their families. Sanatorium-resort rest and rehabilitation of employees of LLC Gazprom transgaz Kazan are carried out both in the sanatoriums of the Republic of Tatarstan and in Russian and foreign health resorts.

Voluntary health insurance. The company has a voluntary health insurance agreement, under which the employees, members of their families and retired employees can undergo rehabilitation and treatment, receive outpatient and inpatient care.

Improving the living conditions of the company's employees. In 2019, in connection with the Regulation on Housing for the Employees of LLC Gazprom transgaz Kazan, being in force in the company, the living conditions of the employees are improved at their expense with the involvement of the company’s funds by providing subsidies for mortgage lending, as well as under the social program through the State Housing Foundation under the President of the Republic of Tatarstan. The results of the company's social policy for 2017 - 2019 are given in Table 4.

Table 4. Social benefits and compensations in LLC Gazprom Transgaz Kazan, 2017-2019 (million roubles)

<table>
<thead>
<tr>
<th>Support directions</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Payments to employees</td>
<td>415.8</td>
<td>438.7</td>
<td>443.73</td>
</tr>
<tr>
<td>2. Payments and benefits for non-working retired employees</td>
<td>160.8</td>
<td>163.5</td>
<td>178.63</td>
</tr>
<tr>
<td>3. One-time retirement benefits</td>
<td>170.6</td>
<td>199.5</td>
<td>198.9</td>
</tr>
<tr>
<td>Total</td>
<td>747.2</td>
<td>801.7</td>
<td>821.26</td>
</tr>
</tbody>
</table>

The situation with coronavirus infection caused an upsurge involuntary movement in Tatarstan. Like many residents of the Republic of Tatarstan, the employees of Gazprom transgaz Kazan organized a charity event in support of health workers being at the forefront in the fight against COVID-19 and children with severe forms of illness.
The funds voluntarily collected by the company’s management in the branch of Kazan Management “Gazprom Pitanie” were used from food packages that were donated to "Joy to Children" and "Alpari" charity funds, and then delivered to the Kazan Infectious Disease Hospital.

As part of the effectiveness analysis of the company's social activities, we study the opinions of employees using questionnaires. The study involved 30 employees in the management apparatus (65% of women and 35% of men). The survey included a question: “In your opinion, which of the following features of business social responsibility is fulfilled by your company's management?” The survey results are given in Table 5.

Table 5. Questioning the results of Gazprom Transgaz Kazan employees on the social responsibility of the company

<table>
<thead>
<tr>
<th>Type</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality products</td>
<td>96%</td>
</tr>
<tr>
<td>Payment of reasonable, official salaries</td>
<td>95%</td>
</tr>
<tr>
<td>Social protection of employees</td>
<td>85%</td>
</tr>
<tr>
<td>Environment protection</td>
<td>88%</td>
</tr>
<tr>
<td>Ensuring safe working conditions</td>
<td>78%</td>
</tr>
<tr>
<td>Full tax payment</td>
<td>99%</td>
</tr>
</tbody>
</table>

Thus, the following conclusions should be made: the company does not pay enough attention to external charity, given its existing financial capabilities. It should also be noted the insufficient participation of the company's employees in external social activities. The elements of volunteering were demonstrated only during March-June 2020 (epidemic).

According to the authors, as a measure to improve the social responsibility management at Gazprom transgaz Kazan, in the context of the crisis, it is proposed to involve the company's employees in the following activities on internal corporate social responsibility and volunteering (Table 6).

Table 6. Activities of internal social responsibility of LLC Gazprom transgaz Kazan in 2020 (Milkina, 2018; Abulhanova et al., 2016)

<table>
<thead>
<tr>
<th>Measure</th>
<th>Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization and holding of events dedicated to the celebration of</td>
<td>throughout a year</td>
</tr>
<tr>
<td>international and national holidays</td>
<td></td>
</tr>
<tr>
<td>Participation in corporate events</td>
<td>throughout a year</td>
</tr>
<tr>
<td>Activities aimed at supporting sports and healthy lifestyle</td>
<td>throughout a year</td>
</tr>
<tr>
<td>International programs for children of the employees and foreign</td>
<td>throughout a year</td>
</tr>
<tr>
<td>partner companies of PJSC Gazprom</td>
<td></td>
</tr>
<tr>
<td>Organization and holding of events dedicated to the celebration of</td>
<td>throughout a year</td>
</tr>
<tr>
<td>the company's anniversary dates</td>
<td></td>
</tr>
<tr>
<td>Gas Workers Day</td>
<td>August</td>
</tr>
<tr>
<td>Council of Young Scientists (conference)</td>
<td>December</td>
</tr>
<tr>
<td>Rental of sports facilities for sporting events</td>
<td>throughout a year</td>
</tr>
<tr>
<td>Excursion services for the company's employees</td>
<td>throughout a year</td>
</tr>
</tbody>
</table>

According to the results, we can conclude that the company actively develops the trends of the past years and increases its costs for internal social policy. To increase the involvement of LLC Gazprom transgaz Kazan employees, they developed some measures that will make it possible to make a greater contribution to solving the social problems of the company and society as a whole.
Table 7. Suggestions for involving Gazprom transgaz Kazan employees in the company's external social responsibility activities, 2020 (Marik, 2015; Emelyanov, 2017)

<table>
<thead>
<tr>
<th>Program direction</th>
<th>Program example</th>
<th>Support form</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Charity Program</td>
<td>&quot;Good&quot; Autistic Children Assistance Society; Hospices &quot;Healthy Child&quot; Regional Public Fund for the Promotion of Children's Health; &quot;The World of Happy Childhood&quot; Charitable Foundation.</td>
<td>Transfer of funds from salaries on an ongoing basis</td>
</tr>
<tr>
<td>Involvement of employees in the volunteer movement</td>
<td>Environmental movement; Assistance to socially unprotected sections of society - pensioners, disabled people, orphans, low-income people, etc.</td>
<td>Personal participation of employees</td>
</tr>
<tr>
<td>&quot;People Changing the World&quot; Corporate Volunteer Support Program.</td>
<td>The employees of all the company's departments can offer their own volunteer campaign and receive financial assistance from the company. Grants for the volunteer projects may be awarded on a competitive basis. The company's volunteers can implement their own projects with local funds, NGOs, orphanages, animal shelters and other organizations.</td>
<td>Company's social projects</td>
</tr>
<tr>
<td>One-time events</td>
<td>Collect food and donations to victims of floods, hurricanes and other natural disasters</td>
<td>Personal participation of employees</td>
</tr>
<tr>
<td>Pro Bono services</td>
<td>Free provision of professional services of an accountant, lawyer, IT specialist, etc.</td>
<td>Personal participation of employees</td>
</tr>
</tbody>
</table>

4. Summary

Summing up the study results, it should be noted that the importance of corporate social responsibility for saving and developing a business does not decrease, but becomes more significant, in the current new economic situation, due to the general economic crisis. The main goal of these events is to increase the level of trust in companies from the state, customers, partners and investors, without which their new economic growth is impossible.

The positive results of the corporate social policy of LLC Gazprom transgaz Kazan included:

1. Formation and maintenance of a positive public image of a socially responsible company with the local community and the company's employees.
2. The company has created structures responsible for the development and implementation of corporate social policy: corporate social protection and personnel management department, as well as the joint trade union of Gazprom transgaz Kazan.
3. The company has been spending significant funds on domestic social policy, supporting sports, motherhood and childhood, retired employees, youth policy, social benefits and compensation, corporate events over the past years.

5. Conclusions

Thus, summarizing the foregoing, the authors came to the conclusion that the companies introducing a corporate social responsibility policy in their development strategy receive the following benefits for themselves:

- The reputation and investment image of the company is improving at the local, state and international levels,
- There is an opportunity to receive tax benefits,
- Costs are reduced through the use of energy-saving and environmentally friendly technologies,
- Increased loyalty and efficiency of the organization's employees,
- Staff turnover is reduced,
- Increased competitiveness and efficiency of the company.

Most companies are already much more civilized and socially oriented during the crisis. The social responsibility of companies in relation to their own employees has grown. Corporate volunteering programs allow many companies maintaining “external” social programs addressed to local communities and aimed at solving social problems within the territories of their operation.

Corporate social responsibility should take into account the interests and contribute to improving the quality of life of
the main stakeholders (interested parties, which include employees, shareholders, investors, government, customers, business partners, professional communities, society as a whole, etc.). The companies need to develop ongoing interaction with the stakeholders to take into account their expectations and opinions for making and implementing effective management decisions.

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