

¹A.Sh. Abdimomynova*, ²G.B. Duzelbaeva, ³U.D. Berikbolova, ⁴A.S. Karbozova, ⁵A.M. Mukhtarova

Korkyt Ata Kyzylorda University, Kyzylorda, Kazakhstan

¹*abdim.alma@mail.ru*, ²*duzelbaeva_gulshat@mail.ru*, ³*ulzhan.73@mail.ru*,

⁴*akjan_92_00@mail.ru*, ⁵*akmaral_mukhtarova@mail.ru*

¹*<https://orcid.org/0000-0002-2237-7699>*,

²*<https://orcid.org/0000-0002-2917-2653>*,

³*<https://orcid.org/0000-0001-7899-8147>*,

¹*Scopus Author ID 57203998902*,

²*Scopus Author ID: 55357334400*,

³*Scopus Author ID: 57193949608*

¹*Researcher ID: AAS-6823-2020*, ³*Researcher ID: AAZ-5647-2021*

Corporate Social Responsibility: dependence of commercial success on social initiatives

Abstract

Object: This study aims to identify the relationship between the economic results of a company and its participation in solving social problems. Modern business conditions require companies to use fundamentally new methods of drawing the attention of consumers and counterparties to their activities. One of the ways to positively influence the reputation of companies is to provide them with additional benefits. Among other things, these benefits include advantages offered by social initiatives. Corporate social responsibility (CSR) is becoming a necessary condition for compliance of a business with international standards. The global scientific community has given rise to long discussions about the impact of CSR on the financial results of companies' activities. This particular issue has determined the relevance of the present research topic.

Methods: By applying economic and mathematical methods, the paper outlines the dependence between enterprises' economic outcomes and investment in social projects.

Findings: The article analyzes data on ten large enterprises of the Republic of Kazakhstan participating in the implementation of social initiatives.

Conclusions: By means of regression analysis, the paper has found a strong correlation between CSR expenditures, gross margin, profit, and turnover. Therefore, to strengthen market positions, it is advisable for companies to pay increased attention to solving internal and external social problems. This will contribute to strengthening the image of the enterprise, enhance its competitiveness and, as a result, financial performance. The results of the study can be used by enterprise managers to substantiate CSR development strategies.

Keywords: corporation, business, social responsibility, project, profit, correlation analysis, efficiency, strategy.

Introduction

The impact of corporate social responsibility (CSR) on enterprises' activities has long been a matter of scientific discussion among economists and business world representatives. In the context of aggravated competition and globalization, the search for new methods to strengthen business is becoming more and more relevant. There are a lot of modern studies devoted to this problem (Bowen, 1953; Kezhapkina, 2015; Martínez et al., 2016; Iglesias et al., 2020). They reveal the historical aspects of the development of the CSR, its main determinants, characteristics, factors, and consequences of its influence on the activities of various businesses.

Literature Review

Special attention is paid to the study and systematization of research works in the field of CSR. It is noted that this issue has been discussed in specialized literature for more than 40 years, and in the last decade it has become increasingly relevant (Kezhapkina, 2015). In her research, Kezhapkina refers to the works of Margolis and Walsh, who analyzed 167 scientific papers that were published before 2007 and describe the impact of CSR on financial performance. This analysis indicates that 54 authors assert a positive relationship between CSR and companies' financial results, 109 researchers consider CSR an independent factor that has an indirect influence, 28 investigators claim about its insignificant effect, 7 authors believe that CSR costs negatively affect financial performance, and 20 scholars indicate a multi-vector nature of CSR and financial

* Corresponding author's e-mail: *abdim.alma@mail.ru*

activities. As Kezhapkina declares, the number of publications after 2007 was replenished with at least 100 more works. However, there is no consensus on the influence of CSR to date. Of particular interest is the work, presenting a comprehensive review of publications on CSR for the period from this theory generation to the present, with an emphasis on the contribution of researchers (Martínez et al., 2016).

Back in 1953, Bowen was the first to speak about the need to introduce the principles of social responsibility and take into account the impact of this process on the long-term activities of organizations (Bowen, 1953). By social responsibility, Bowen meant “the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action that are desirable in terms of the objectives and values of our society” (Bowen, 1953). Later, Friedman in his article “The social responsibility of business is to increase its profit” (Friedman, 1970) refuted Bowen’s theory, describing CSR as “a fundamentally subversive doctrine”, the widespread use of which will destroy a free society. Friedman argued that “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, which is to say, engages in open and free competition without deception or fraud” (Friedman, 1970). In 1979, Carroll proposed an interpretation according to which CSR should be considered as “compliance with the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time” (Carroll, 1979). This approach formed the basis of the modern understanding of CSR.

In increasing frequency, the authors pay attention to that CSR affects a company’s corporate reputation. In particular, (Wan et al., 2020) addresses CSR in connection with the corporate ethical culture. Also consider CSR an indispensable factor in the formation of corporate reputation (Ozdora Aksak et al., 2016). In turn, (Romanova et al., 2017) as well as (Kanto et al., 2016) believe that at the present stage of economic development, CSR is becoming an intangible asset that forms competitive advantages of a company aimed at sustainable development extending far into the future. Agree with the point above, though add that corporate reputation affects the company’s market value (Jang et al., 2016). A similar opinion is shared by (Rudominer, 2017), noting that “in the 21st century, sustainability and CSR have become strategic imperatives for organizations as fundamental market forces for financial viability and success, where consumers are important stakeholders.”

Focusing on consumers and seeing CSR as crucial in the formation of loyalty, researchers have more frequently begun to study the influence of social initiatives on the enterprises’ marketing activity (Latif et al., 2020). The influence of CSR on customer loyalty is considered in many works (Islam et al., 2015; Nyadzayo & Khajehzadeh, 2016; Akbari et al., 2019; Latif et al., 2020; Raza et al., 2020; Reza et al., 2020). Their authors indicate that if a company takes part in CSR activities, its customers are more optimistic, more loyal, and more inclined to buy a product or service. CSR contributes to the formation of consumer confidence and corporate image, affects the company’s reputation. This dependence is referred to as the “expectation of ethically justified behavior” (Park & Kim, 2019). It is noted that buyers are more inclined to buy from brands with a high corporate reputation when choosing expensive or durable goods (Hetzze, 2016).

In addition to influencing corporate reputation and creating customer loyalty (Martinez-Conesa et al., 2017) correspond CSR with meeting the requirements of stakeholders. More broadly, the impact of CSR is analyzed (Mubarik et al., 2018; Matten & Moon, 2020). They draw attention to the active use of this tool by politicians, non-governmental organizations, and companies to formulate sustainable development goals.

One should not fail to remark significant national differences in understanding and forming a CSR policy, which should be taken into account when developing a CSR model for local markets (Nekhoda, 2018). The study devoted to the problems of CSR development in the Republic of Kazakhstan is of particular interest in this perspective (Kabatova, 2016). However, CSR remains a relatively new concept in Kazakhstan, not yet fully understood (Exclusive, 2019).

Despite the considerable interest in the impact of CSR on the companies’ business performance, the focus is shifting to the formation of the image, reputation, and customer loyalty. At the same time, how CSR affects enterprises’ financial results is characterized quite poorly. This research aims to investigate the dependence of companies’ economic performance on their financing of social initiatives using the example of the largest corporate units in Kazakhstan. To achieve this goal, the paper analyzes the feasibility and cost-effectiveness of CSR by means of economic and mathematical methods and justifies recommendations and future vectors for CSR development.

The hypothesis of the study can be specified as follows. First, consideration of the lack of connection between the costs of corporate social responsibility and the profitability of the company. Secondly, the identification of the lack of connection between the turnover of the company and the costs of social projects.

Methods

A comprehensive monitoring study carried out by the BISAM Central Asia research center within the framework of the Damu Entrepreneurship Development Fund JSC (Kaznacheev, 2018) shows that, for the present, the understanding of CSR among the majority of entrepreneurs in Kazakhstan does not go beyond the law enforcement and fair conduct of business. For most of them, CSR is seen only as timely payment of taxes, earnings, as well as active participation in social responsibility programs. There is also no common understanding of CSR and how socially responsible behavior can benefit a business. The existing knowledge and attitude of Kazakhstani businesses towards CSR is insufficient for the widespread involvement of enterprises in the practice of CSR.

In order to study the relationship between the activity of companies in the field of CSR and subsequent economic effects, a correlation-regression analysis of the influencing factors was carried out. This analysis was based on accounting and financial reporting data (balance sheets, financial results reports, cash flow reports, and other statistical statements) of enterprises received from the Depository of Financial Statements of the Ministry of Finance of the Republic of Kazakhstan for 2018-2020. Apart from this, the study authors made use of reports of public relations departments and statistics available on the Internet for general use.

According to the data available, in this day and age, representatives of large companies view socially responsible business as a vital element and a source of direct benefit (Smirnova, 2015; Kabatova, 2016; Exclusive, 2019). Small and medium-sized enterprises are rarely able to recognize CSR advantages. Most often, they refer to the lack of financial resources to promote social initiatives.

This was the factor determining the choice of companies participating in the study. The calculation took into consideration the performance indicators of ten big companies operating in Kazakhstan, most of which have foreign capital: KazAzot JSC, MAXAM Kazakhstan LLP, AgromashHolding KZ JSC, Philip Morris Kazakhstan LLP, Kcell JSC, Lukoil Overseas Karachaganak B.V., Kazzinc LLP, Carlsberg Kazakhstan LLP, Rakhat JSC and Copper Technology LLP. Since small businesses in Kazakhstan now have little to do with continuous financing of social projects, they were not considered. All the companies were selected according to the principle of non-stop declared CSR for 10+ years, availability of foreign capital (as a driver of effective CSR strategy and control over its actual execution), and accessibility of operational reports.

Statistical data processing was carried out using the methods of parametric and nonparametric analysis. In the course of the study, a regression model was built to reveal the influence of the X_i factors on the Y indicator. Partial correlation coefficients were calculated to determine the validity of using the considered parameters. The model was checked for the absence of multicollinearity. Autocorrelation was found under the Durbin-Watson test. The strength of the relationship was assessed using the Chaddock's and Fisher's scales. The study was carried out using the capabilities of the STATISTICA 13.3 developed by StatSoft Inc.

Due to the confidential nature of enterprises' statistical reports, the results obtained may deviate to some extent from real values. Since the effect of participation in CSR has a cumulative effect, as a rule, it cannot be assessed immediately after the implementation of corresponding initiatives. Therefore, data from financial and accounting statements were used in $i+1$ format with respect to the information on financing social initiatives for the next year after funding social events.

Results

The development and propagation of the standpoint that CSR activities increase costs without compensating them with sufficient motivational advantages do not facilitate the formation of enterprise managers' interest in financing social projects. On top of this, the effect of holding events is not always possible to be tracked immediately, which also fails to act as an incentive to popularize companies' participation in CSR. Global crisis and recession in national economies raise the importance of being able to monitor the quality of economic processes in order to regulate cash flows, optimize costs, and manage production and related operations. From the perspective of assessing the effectiveness of social activities, financial indicators, as well as return on assets and return on investment, may not always be substantive enough. Indicators of psychological efficiency, customer loyalty, and business reputation are difficult to measure. More informative in terms of tracking the economic efficiency of CSR are economic activity indicators, such as gross margin, profit, and turnover. All of them were included in the calculations.

Aiming to study the relationship between companies' participation in social projects and their economic performance, the authors of this study examined two hypotheses:

- H1. There is no significant relationship between CSR expenditures and the company's profitability;
- H2. There is no significant relationship between the company's turnover and CSR expenditures.

To test the H1, data on gross margin (Y) and CSR expenditures (X_1) were used, where X_1 is an independent variable and Y is a dependent variable (Table 1).

Table 1.H1 calculations

Enterprise	Correlation coefficient, R	Determination coefficient, R^2	Adjusted R^2	Standard error, μ	Durbin-Watson test	Fisher's exact test, F
KazAzot JSC	0.880	0.711	0.583	265.18E3	1.463	7.986
MAXAM Kazakhstan LLP	0.708	0.497	0.340	3.1297	1.485	5.938
AgromashHolding KZ JSC	0.714	0.573	-0.513	1.7394E6	3.412	6.153
Philip Morris Kazakhstan LLP	0.860	0.753	0.511	81237.3098	3.007	5.112
Kcell JSC	0.898	0.798	0.613	10.0284	1.621	8.570
Lukoil Overseas Karachaganak B.V.	0.912	0.835	0.602	5.9072	2.479	2.394
Kazzinc LLP	0.734	0.642	0.496	21.0837	3.190	5.294
Carlsberg Kazakhstan LLP	0.821	0.715	0.626	3.5987	1.039	4.293
Rakhat JSC	0.709	0.623	0.502	9.4362	1.937	7.392
Copper Technology LLP	0.735	0.674	0.379	8.5372	3.453	2.175

Note – compiled by the authors on the basis of statistical information processing using parametric and nonparametric analysis methods. The study was conducted using the STATISTICA 13.3 program (developed by StatSoft.Inc)

As a result, the following regression equations were obtained:

- KazAzot JSC: $Y = -193.724 + 2.759 \times X_1$
- MAXAM Kazakhstan LLP: $Y = 3266.537 - 0.68 \times X_1$
- AgromashHolding KZ JSC: $Y = 1048284.468 - 0.109 \times X_1$
- Philip Morris Kazakhstan LLP: $Y = 279454.822 - 0.153 \times X_1$
- Kcell JSC: $Y = 931.834 + 0.063 \times X_1$
- Lukoil Overseas Karachaganak B.V.: $Y = 78384.048 - 0.253 \times X_1$
- Kazzinc LLP: $Y = -363.479 + 2.458 \times X_1$
- Carlsberg Kazakhstan LLP: $Y = 85434.122 - 0.291 \times X_1$
- Rakhat JSC: $Y = -26.849 + 1.938 \times X_1$
- Copper Technology LLP: $Y = 16426.378 - 0.003 \times X_1$.

Given that all the obtained interfactor correlation coefficients were greater than 0.7, multicollinearity was absent. The regression analysis results indicated a direct relationship between the studied factors. The determination coefficient (R_2) in the range from 0.497 to 0.835 designated a noticeable impact of CSR expenditures on the companies' profitability. According to Chaddock's scale, there was a strong relationship in the model. The calculated value of Fisher's exact test surpassed the tabular $F = 2.82$, which also meant a significant correlation between the factors under study. Hence, with reference to the above, the hypothesis H1 about the absence of a significant relationship between CSR expenditures and the company's profitability was not confirmed.

Hypothesis H2 supposed no relationship between the company's turnover and CSR expenditures. This assumption was tested by constructing a multiple regression equation. For this, the following indicators were used: turnover (Y), after-tax profit (X_1), and CSR expenditures (X_2), where X_1 and X_2 are independent variables and Y is a dependent variable (Table 2).

Table 2. H2 calculations

Enterprise	Correlation coefficient, R	Determination coefficient, R ²	Adjusted R ²	Standard error, μ	Durbin-Watson test	Fisher's exact test, F
KazAzot JSC	0.954	0.911	0.897	5.8563	2.384	15.293
MAXAM Kazakhstan LLP	0.704	0.684	0.298	75.3470	2.483	4.394
AgromashHolding KZ JSC	0.921	0.834	1.057	3.9684	1.885	5.227
Philip Morris Kazakhstan LLP	0.795	0.689	0.893	173.3945	2.395	8.283
Kcell JSC	0.932	0.844	0.716	3.0594	3.495	4.594
Lukoil Overseas Karachaganak B.V.	0.987	0.721	0.439	1.8726	1.938	3.495
Kazzinc LLP	0.852	0.799	0.598	52.4038	2.948	16.293
Carlsberg Kazakhstan LLP	0.749	0.635	0.422	2.4957	1.893	7.304
Rakhat JSC	0.742	0.689	0.570	5.2938	2.003	9.294
Copper Technology LLP	0.894	0.831	0.328	104.9483	2.118	4.584

Note – compiled by the authors on the basis of statistical information processing using parametric and nonparametric analysis methods. The study was conducted using the STATISTICA 13.3 program (developed by StatSoft.Inc)

The obtained regression equations were as follows:

- KazAzot JSC: $Y = 28.767 - 0.92 \times X_1 + 1.601 \times X_2$
- MAXAM Kazakhstan LLP: $Y = 564.864 - 0.342 \times X_1 + 0.124 \times X_2$
- AgromashHolding KZ JSC: $Y = -43.410 + 2.136 \times X_1 - 0.169 \times X_2$
- Philip Morris Kazakhstan LLP: $Y = 91.357 - 0.184 \times X_1 - 0.032 \times X_2$
- Kcell JSC: $Y = 21.005 + 0.138 \times X_1 - 0.079 \times X_2$
- Lukoil Overseas Karachaganak B.V.: $Y = 15.213 - 0.233 \times X_1 - 0.036 \times X_2$
- Kazzinc LLP: $Y = -22.097 + 1.579 \times X_1 - 0.119 \times X_2$
- Carlsberg Kazakhstan LLP: $Y = 17.905 - 0.347 \times X_1 - 0.196 \times X_2$
- Rakhat JSC: $Y = 1.837 - 0.964 \times X_1 - 0.085 \times X_2$
- Copper Technology LLP: $Y = 24.267 - 0.341 \times X_1 - 0.077 \times X_2$.

The regression analysis results designated the close correlation between the studied indicators. Multiple determination coefficient (R²), reflecting the value of properties of the corresponding CSR model, intimated that from 63.5% to 91.1% of fluctuations in turnover depend on changes in profits and CSR expenditures. Since the calculated values of the Fisher criterion were higher than the tabular, one can infer a strong bond between the analyzed factors. Comparison of the values obtained with Chaddock's scale demonstrated a notable positive correlation; the Durbin-Watson test values were close to 2.0; multicollinearity was absent. In view of the results collected, one can conclude about a significant relationship between the company's turnover, profit, and CSR expenditures. Thus, H2 was also rejected.

Based on the carried calculations following the multiple linear regression method, direct dependence between the enterprise's economic activity results and expenses on social initiatives' implementation was found. This allows speaking of a positive effect of investments in CSR on overall economic performance, opens up new prospects for business development, and can become an argument in favor of firms' participation in CSR projects.

The calculations performed made no reckoning of individual indicators that could affect the enterprise's economic activity in the wake of the difficulties in identifying their local influence. At the same time, it should be borne in mind that business activity results are interconnected and dependent on a whole range of factors. It is not always possible to establish the exact reason for some changes. Enterprises participate in both internal (related to employees) and external social initiatives (aimed at solving citizens' problems on a regional or national scale). In every particular case, the degree of CSR's influence on business performance will differ. Determining the effect of participation in individual initiatives is challenging as, along with many other important aspects, one should not turn a "blind eye" to the inevitable synergy effect. It is beyond doubt that changes in the profitability and turnover of the companies under study could be caused by the

improvement of their image, customer loyalty, and brand reinforcement. These factors cannot be analyzed separately from business performance indicators. However, the direct purpose of this research was to determine the relationship between the efficiency of companies' economic activity and their CSR expenditures, which was fully displayed by the corresponding calculations.

The study findings will be of particular value to entrepreneurs doing business in Kazakhstan. Provided that the CSR philosophy began to form there relatively recently, with the arrival of foreign capital on the market, it is still poorly developed. Business representatives often engage in CSR development not by conscious choice but rather by obeying business standards' requirements (Kaznacheev, 2018). The obtained results contribute to a better understanding of the impact of CSR on business and can become a driver for enhanced involvement of enterprises in social projects.

Discussions

Nowadays, the majority of business representatives in Kazakhstan does not feel the desire and need for the improvement of CSR, perceiving it only as legal obligations. Among the main reasons for this situation are the following:

- misunderstanding of the essence of CSR;
- financial constraints;
- poor state support;
- underestimation of CSR's impact on performance.

This list of constraining factors is not even close to exhaustive. However, being guided by the fact that all business processes are concentrated on financial benefits, the results of CSR strategies should be reviewed precisely in this aspect. The refusal of enterprises to participate in social responsibility projects is most often explained by management's inadequate awareness of the potential gains.

As noted before, the very essence of CSR is of investment nature. Assessing the direct economic effect of financing this area is somewhat challenging. Nevertheless, a broad range of researchers sees CSR as a means of strengthening the business reputation. Theoretical assumptions in this field have been repeatedly confirmed in practice by investigating the market environment (Rudominer, 2017).

Returning to the nature of CSR, it is worth emphasizing that the assessment of social initiatives' implementation is carried out with reference to both the external and internal environment. When it comes to the social responsibility of business, the goals of the company's activities in the external and internal environment coincide. The influence of CSR development on the company's image is shown in Figure 1.

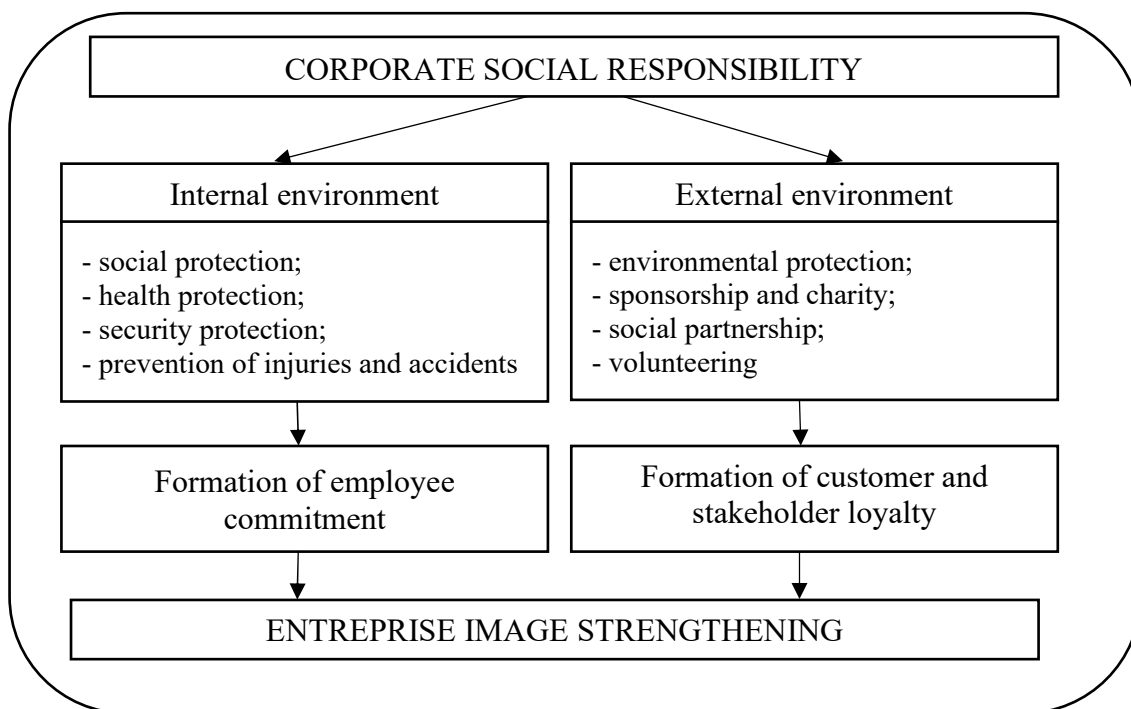


Figure1. Impact of CSR on the company's image

Note – compiled by the authors

The principles of social responsibility, health care, security, and favorable staff morale are crucial in forming employees' commitment to the goals and values of the organization. The efficiency of management processes as well as industrial and business operations often depend on employees' motivation. Believe that firms implementing social protection measures and providing optimal working conditions for their employees lay the groundwork for reducing absenteeism, personnel turnover, and therefore capitalize not only on increased labor productivity but also save on recruiting and training costs (Prakash-Mani et al., 2002).

The companies' participation in the development of social initiatives in the external environment is another sales promotion method. In the minds of consumers, a firm engaged in social projects is associated with caring for its employees, while counterparties perceive it as successful and reliable. According to research by Horizon Media, 81% of Millennials (individuals born in the late 80s – early 90s) expect companies to make a public commitment to CSR (Rudominer, 2017). A study of Millennials' attitudes towards the importance of CSR in the activities of global brands conducted in the USA in 2015 by Cone Communications showed that those brands that have established themselves as CSR participants are more preferred (Rudominer, 2017). Not a single large company today wants to be recognized as a non-CSR participant. This could be a serious blow to its reputation.

Insufficient attention paid to the development of this activity field is explained by the complexity of assessing its economic efficiency. Most of the processes in the company are regulated by rather strict rules and regulations directed at rational use of financial resources and cost savings. Company managers are not always ready to consider CSR expenditures as investments since most of these costs are current in nature, and their performance assessment has both short-term and long-term effects. The direct economic consequences of investing in CSR are difficult to evaluate; however, the calculations presented in this study allowed obtaining specific results that confirm a direct relationship between the turnover, gross margin, profit, and CSR expenditures.

In addition to building loyalty, companies' involvement in social responsibility projects continues to be a serious marketing tool for promoting its position in the market, a tool for forming a brand. It remains a lever of influence on intangible assets and in a strategic perspective should be considered as a means of increasing the potential of an enterprise and its market value. CSR development over time can be reflected in the following sequence: goal-setting – investment – implementation of processes – result achievement – result evaluation. At the same time, depending on the established goal, the result can be considered from an economic point of view and as one of the means of achieving strategic guidelines (Fig. 2).

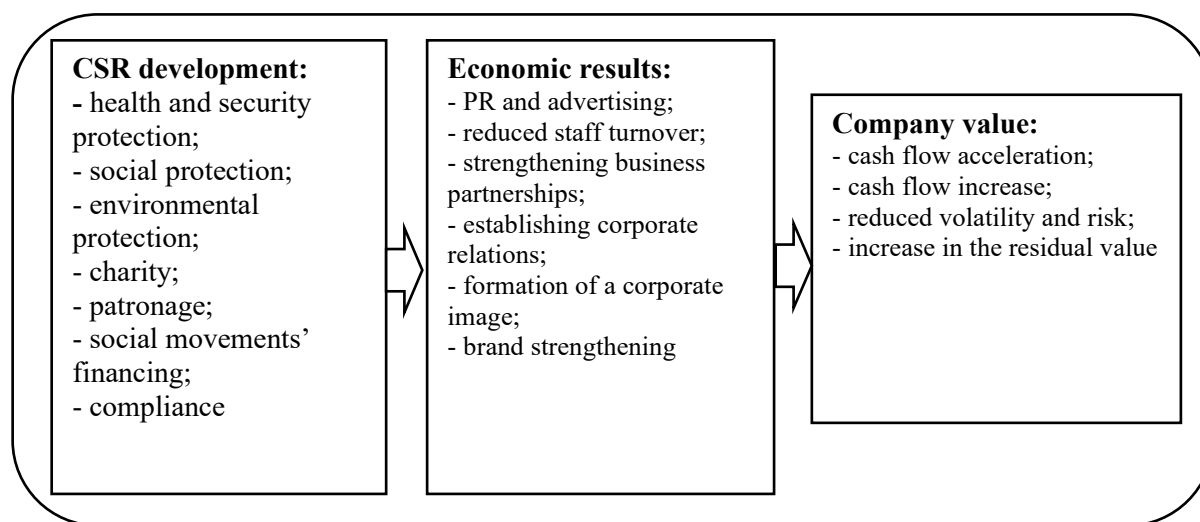


Figure 2. Relationship between CSR, economic results, and company value

Note – compiled by the authors

Consequently, the long-term performance of an organization is to some extent a logical completion of building its reputation – one of the factors determining its force status. Such a result argues in favor of the importance of CSR development, intending to strengthen the company's market positions. In a similar vein, it indicates the need to increase social responsibility both in the internal and external environment.

Conclusions

In the present article, the authors carried out the examination of the impact of CSR on a company's economic activity. This issue has been debated in economic circles for a long time, gaining more and more relevance in the modern business environment. However, in spite of the multiplicity and diversity of the conducted research, at the moment, there is no unity of views in understanding the benefits of CSR.

The regression analysis applied to assess the impact of CSR on the performance of enterprises in Kazakhstan confirmed the presence of a strong correlation between profitability and expenses on social initiatives, as well as the dependence of profit and turnover indicators on the amount of CSR investments. The study findings suggest that, in the long run, companies paying attention to the social aspects of their activities can strengthen their position in the market. This particular effect is facilitated by the investment nature of CSR costs. Investing in social responsibility projects is one way to attract the attention of buyers and capital providers to a specific company and thus promote it. Participation in social initiatives has a psychological impact on consumers and counterparties, forming their loyalty, thereby advantaging the enterprise's economic efficiency. The paper holds the view that CSR steadily becomes an intangible asset of companies aimed at long-term sustainable development. The study focuses on the problems faced by business representatives of Kazakhstan when deciding on the development of CSR.

The methodological limitations arisen during the research process are associated with difficulties in distinguishing the particular effect of CSR on the companies' financial performance and the influence of a complex set of factors. The examination points out that the visible result of financing CSR projects is more likely to have a cumulative effect on economic performance rather than an immediate one. This presents a certain problem for analyzing economic success and is a direction for further research in this area. The significance of the work performed lies in drawing the attention of business leaders to the importance of CSR development. The achieved results might be useful for managers in charge of forming strategic decisions in companies. Besides, they can provide a background for justifying the effectiveness of investing in social projects.

References

- Akbari M. Corporate social responsibility, customer loyalty and brand positioning / M. Akbari, M. Mehrali, N. Seyyed Amiri, N. Rezaei, A. Pourjam // *Social Responsibility Journal*. — 2019. — No. 16(5). — P. 671-689.
- Aksak E.O. Corporate social responsibility and CSR fit as predictors of corporate reputation: A global perspective / E.O. Aksak, M.A. Ferguson, S.A. Duman // *Public Relations Review*. — 2016. — No. 42(1). — P. 79-81.
- Bowen H. *Social Responsibilities of the Businessman* / H. Bowen. — 1953. — New York: Harper & Row.
- Carroll A.B. A three-dimensional conceptual model of corporate performance // A.B. Carroll // *Academy of management review*. — 1979. — No4(4). — P. 497-505.
- CSR: Not a single human rights project // *Exclusive*. — 2019. Retrieved from <http://www.exclusive.kz/expertiza/biznes/116088/>.
- Friedman M. The social responsibility of business is to increase its profit / M. Friedman // *New York Times Magazine*. — 1970. — No. 13(32-33). — P. 122-126.
- Hetze K. Effects on the (CSR) reputation: CSR reporting discussed in the light of signaling and stakeholder perception theories / K. Hetze // *Corporate reputation review*. — 2016. — No. 19(3). — P. 281-296.
- Iglesias O. Co-creation: A key link between corporate social responsibility, customer trust, and customer loyalty / O. Iglesias, S. Markovic, M. Bagherzadeh, J.J. Singh // *Journal of Business Ethics*. — 2020. — No. 163(1). — P. 151-166.
- Islam T. The impact of corporate social responsibility on customer loyalty: The mediating role of corporate reputation, customer satisfaction, and trust / T. Islam, R. Islam, A.H. Pitafi, L. Xiaobei, M. Rehmani, M. Irfan, M.S. Mubarak // *Sustainable Production and Consumption*. — 2015. — No. 25. — P. 123-135.
- Jang W.Y. Halo, horn, or dark horse biases: Corporate reputation and the earnings announcement puzzle / W.Y. Jang, J.H. Lee, H.C. Hu // *Journal of empirical finance*. — 2016. — No. 38. — P. 272-289.
- Kabatova K. Corporate social responsibility in Kazakhstan: government agencies, business and the civil sector as key participants in building a systematic approach to CSR. [Electronic resource] / K. Kabatova // Program for young researchers in public policy of Soros Foundation-Kazakhstan. — 2016. Access mode https://www.soros.kz/wp-content/uploads/2018/02/corporate_social_responsibility.pdf.
- Kanto D.S. The Reputation Quotient as a corporate reputation measurement in the Malaysian banking industry: A confirmatory factor analysis / D.S. Kanto, E.C. de Run, A.H. bin Md Isa // *Procedia-Social and Behavioral Sciences*. — 2016. — 219. — P. 409-415.

- Kezhapkina O.V. On the relationship between corporate social responsibility and financial results / O.V. Kezhapkina // Bulletin of the Astrakhan State Technical University. Series: Economics. — 2015. — No. 4. — P. 101-108.
- Latif K.F. Corporate social responsibility (CSR) and customer loyalty in the hotel industry: A cross-country study / K.F. Latif, A. Pérez, U.F. Sahibzada // International Journal of Hospitality Management. — 2020. — 89. — P. 102565.
- Martínez J.B. Corporate social responsibility: Evolution through institutional and stakeholder perspectives / J.B. Martínez, M.L. Fernández, P. M.R. Fernández // European journal of management and business economics. — 2016. — No. 25(1). — P. 8-14.
- Martinez-Conesa I. Corporate social responsibility and its effect on innovation and firm performance: An empirical research in SMEs / I. Martinez-Conesa, P. Soto-Acosta, M. Palacios-Manzano // Journal of cleaner production. — 2017. — 142. — P. 2374-2383.
- Matten D. Reflections on the 2018 decade award: The meaning and dynamics of corporate social responsibility / D. Matten, J. Moon // Academy of management Review. — 2020. — No.45(1). — P. 7-28.
- Mubarik M.S. Measuring human capital in small and medium manufacturing enterprises: What matters? / M.S. Mubarik, V.G.R. Chandran, E.S. Devadason // Social Indicators Research. — 2018. — No.137(2). — P. 605-623.
- Nekhoda E.V. National models of corporate social responsibility / E.V. Nekhoda // Business strategies. — 2018. — No. 3(47). — P. 1-4.
- Nyadzayo M.W. The antecedents of customer loyalty: A moderated mediation model of customer relationship management quality and brand image / M.W. Nyadzayo, S. Khajehzadeh // Journal of Retailing and Consumer Services. — 2016. — No. 30. — P. 262-270.
- Park E. What drives “customer loyalty”? The role of corporate social responsibility / E. Park, K.J. Kim // Sustainable Development. — 2019. — No. 27(3). — P. 304-311.
- Prakash-Mani K. Developing Value: The business case for sustainability in emerging markets / K. Prakash-Mani, J. Thorpe, P. Zollinger, P. Woicke, N. Arbex, V. de Oliveira Neto. London: Sustain Ability. — 2002.
- Raza A. An assessment of corporate social responsibility on customer company identification and loyalty in banking industry: a PLS-SEM analysis / A. Raza, R.A. Rather, M.K. Iqbal, U.S. Bhutta // Management Research Review. — 2020. — No.43(11). — P. 1337-1370.
- Reza S. Relationship marketing and third-party logistics: evidence from hotel industry / S. Reza, M.S. Mubarik, N. Naghavi, R.R. Nawaz // Journal of Hospitality and Tourism Insights. — 2020. — No.3(3). — P. 371-393.
- Rudominer R. Corporate Social Responsibility Matters: Ignore Millennials at Your Peril. [Electronic resource] / R. Rudominer. — 2017. Access mode: https://www.huffingtonpost.com/ryan-...b_9155670.html.
- Smirnova E.V. Corporate social responsibility in Central Asia: A comparative analysis / E.V. Smirnova // The Journal of Economic Research & Business Administration. — 2015. — No. 108(2). — P. 1-7.
- Wan P. Does corporate integrity culture matter to corporate social responsibility? Evidence from China / P. Wan, X. Chen, Y. Ke // Journal of Cleaner Production. — 2020. — No. 259. — 120877.
- Казначеев М.П. Проблемы развития корпоративной социальной ответственности в Казахстане [Текст] / М.П. Казначеев. — 2018. — [Электронный ресурс]. — Режим доступа: <https://isca.kz/ru/analytics-ru/829>.
- Романова О.А. Формирование конкурентных стратегий промышленных предприятий с позиции корпоративной социальной ответственности [Текст] / О.А. Романова, Д.Б. Берг, Я.А. Матвеева // Экономические и социальные перемены: факты, тенденции, прогноз. — 2017. — № 54. — С. 138–152.

А.Ш. Абдимомынова, Г.Б. Дузельбаева, У.Д. Берикболова, А.С. Карбозова, А.М. Мұхтарова

**Корпоративтік әлеуметтік жауапкершілік:
коммерциялық табыстың әлеуметтік бастамаларға тәуелділігі**

Аңдатпа:

Мақсаты: Компанияның экономикалық нәтижелері мен оның әлеуметтік мәселелерді шешуге қатысуы арасындағы байланысты анықтау. Бизнесі жүргізудің заманауи шарттары компаниялардан тұтынушылар мен контрагенттердің назарын өз қызметіне тартудың түбегейлі жаңа әдістерін қолдануды талап етеді. Компаниялардың беделіне жағымды әсер етудің бір тәсілі — оларға қосымша жеңілдіктер беру. Сонымен қатар, бұл жеңілдіктерге әлеуметтік бастамалар арқылы берілетін жеңілдіктер жатады. Корпоративтік әлеуметтік жауапкершілік (КӘЖ) бизнестің халықаралық стандарттарға сәйкестігінің міндетті шартына айналуға. Әлемдік ғылыми қоғамдастық КӘЖ-нің компаниялардың қаржылық көрсеткіштеріне әсері туралы ұзақ талқылаулар туғызды. Бұл нақты сұрақ зерттеу тақырыбының өзектілігін анықтады.

Әдісі: Экономика-математикалық әдістерді қолдана отырып, мақалада кәсіпорындардың экономикалық нәтижелері мен әлеуметтік жобалардағы инвестициялар арасындағы байланыс сипатталған.

Қорытынды: Мақалада әлеуметтік бастамаларды іске асыруға қатысқан Қазақстан Республикасының он ірі кәсіпорны бойынша деректер талданған.

Тұжырымдама: Регрессиялық талдау арқылы мақалада КӨЖ шығындары, жалпы пайда, пайда және айналым арасындағы тығыз байланыс анықталды. Сондықтан нарықтық позицияларды нығайту үшін компанияларға ішкі және сыртқы әлеуметтік мәселелерді шешуге көп көңіл бөлген жөн. Бұл кәсіпорынның имиджін нығайтуға, оның бәсекеге қабілеттілігін арттыруға және соның салдарынан қаржылық көрсеткіштерге ықпал етеді. Зерттеу нәтижелерін кәсіпорын басшылары корпоративтік әлеуметтік жауапкершілікті дамыту стратегиясын негіздеу үшін қолдана алады.

Кілт сөздер: корпорация, бизнес, әлеуметтік жауапкершілік, жоба, пайда, корреляциялық талдау, тиімділік, стратегия.

А.Ш. Абдимомынова, Г.Б. Дузельбаева, У.Д. Берикболова, А.С. Карбозова, А.М. Мухтарова

Корпоративная социальная ответственность: зависимость коммерческого успеха от социальных инициатив

Аннотация

Цель: Выявление взаимосвязи между экономическими результатами деятельности компании и ее участием в решении социальных проблем. Современные условия ведения бизнеса требуют от компаний применения принципиально новых методов привлечения внимания потребителей и контрагентов к своей деятельности. Один из способов положительно повлиять на репутацию компаний — предоставить им дополнительные скидки. Кроме того, эти преимущества включают достоинства, обеспечивающие социальные инициативы. Корпоративная социальная ответственность (КСО) становится необходимым условием соответствия бизнеса международным стандартам. Мировое научное сообщество вызвало длительные дискуссии о влиянии КСО на финансовые результаты деятельности компаний. Этот конкретный вопрос определил актуальность темы исследования.

Методы: Используя экономико-математические методы, в статье описана взаимосвязь между экономическими результатами предприятий и инвестициями в социальные проекты.

Результаты: В статье проанализированы данные по десяти крупным предприятиям Республики Казахстан, участвующим в реализации социальных инициатив.

Выводы: Посредством регрессионного анализа в статье выявлена тесная связь между издержками КСО, валовой прибылью, прибылью и оборотом. Поэтому для укрепления рыночных позиций компаниям следует уделять больше внимания решению внутренних и внешних социальных проблем. Это способствует укреплению имиджа предприятия, повышению его конкурентоспособности и, как следствие, финансовых показателей. Результаты исследования могут быть использованы руководителями предприятий для обоснования стратегии развития корпоративной социальной ответственности.

Ключевые слова: корпорация, бизнес, социальная ответственность, проект, прибыль, корреляционный анализ, эффективность, стратегия.

References

- Akbari, M., Mehrali, M., Seyyed Amiri N., Rezaei N., & Pourjam A. (2019). Corporate social responsibility, customer loyalty and brand positioning. *Social Responsibility Journal*, 16(5), 671-689.
- Aksak, E. O., Ferguson, M. A., & Duman, S. A. (2016). Corporate social responsibility and CSR fit as predictors of corporate reputation: A global perspective. *Public Relations Review*, 42(1), 79-81.
- Bowen, H. (1953). *Social Responsibilities of the Businessman*. N.Y: Harper & Row.
- Carroll, A. B. (1979). A three-dimensional conceptual model of corporate performance. *Academy of management review*, 4(4), 497-505.
- Exclusive (2019). *CSR: Not a single human rights project*. Retrieved from <http://www.exclusive.kz/expertiza/biznes/116088/>
- Friedman, M. (1970). The social responsibility of business is to increase its profit. *New York Times Magazine*, 13(32-33), 122-126.
- Hetze, K. (2016). Effects on the (CSR) reputation: CSR reporting discussed in the light of signaling and stakeholder perception theories. *Corporate reputation review*, 19(3), 281-296.
- Iglesias, O., Markovic, S., Bagherzadeh, M., & Singh, J. J. (2020). Co-creation: A key link between corporate social responsibility, customer trust, and customer loyalty. *Journal of Business Ethics*, 163(1), 151-166.
- Islam, T., Islam, R., Pitafi, A. H., Xiaobei, L., Rehmani, M., Irfan, M., & Mubarak, M. S. (2015). The impact of corporate social responsibility on customer loyalty: The mediating role of corporate reputation, customer satisfaction, and trust. *Sustainable Production and Consumption*, 25, 123-135.
- Jang, W. Y., Lee, J. H., & Hu, H. C. (2016). Halo, horn, or dark horse biases: Corporate reputation and the earnings announcement puzzle. *Journal of empirical finance*, 38, 272-289.

- Kabatova, K. (2016). Corporate social responsibility in Kazakhstan: government agencies, business and the civil sector as key participants in building a systematic approach to CSR. *Program for young researchers in public policy of Soros Foundation-Kazakhstan*. Retrieved from https://www.soros.kz/wp-content/uploads/2018/02/corporate_social_responsibility.pdf
- Kanto, D. S., de Run, E. C., & bin Md Isa, A. H. (2016). The Reputation Quotient as a corporate reputation measurement in the Malaysian banking industry: A confirmatory factor analysis. *Procedia-Social and Behavioral Sciences*, 219, 409-415.
- Kaznacheev, M.P. (2018). Problemy razvitiia korporativnoi sotsialnoi otvetstvennosti v Kazakhstane [Problems of corporate social responsibility development in Kazakhstan]. Retrieved from <https://isca.kz/ru/analytics-ru/829> [in Russian].
- Kezhapkina, O. V. (2015). On the relationship between corporate social responsibility and financial results. *Bulletin of the Astrakhan State Technical University. Series: Economics*, 4, 101-108.
- Latif, K. F., Pérez, A., & Sahibzada, U. F. (2020). Corporate social responsibility (CSR) and customer loyalty in the hotel industry: A cross-country study. *International Journal of Hospitality Management*, 89, 102565.
- Martínez, J. B., Fernández, M. L., & Fernández, P. M. R. (2016). Corporate social responsibility: Evolution through institutional and stakeholder perspectives. *European journal of management and business economics*, 25(1), 8-14.
- Martínez-Conesa, I., Soto-Acosta, P., & Palacios-Manzano, M. (2017). Corporate social responsibility and its effect on innovation and firm performance: An empirical research in SMEs. *Journal of cleaner production*, 142, 2374-2383.
- Matten, D., & Moon, J. (2020). Reflections on the 2018 decade award: The meaning and dynamics of corporate social responsibility. *Academy of management Review*, 45(1), 7-28.
- Mubarik, M. S., Chandran, V. G. R., & Devadason, E. S. (2018). Measuring human capital in small and medium manufacturing enterprises: What matters? *Social Indicators Research*, 137(2), 605-623.
- Nekhoda, E. V. (2018). National models of corporate social responsibility. *Business strategies*, 3(47), 1-4.
- Nyadzayo, M. W., & Khajezadeh, S. (2016). The antecedents of customer loyalty: A moderated mediation model of customer relationship management quality and brand image. *Journal of Retailing and Consumer Services*, 30, 262-270.
- Park, E., & Kim, K. J. (2019). What drives “customer loyalty”? The role of corporate social responsibility. *Sustainable Development*, 27(3), 304-311.
- Prakash-Mani, K., Thorpe, J., Zollinger, P., Woicke, P., Arbex, N., & de Oliveira Neto, V. (2002). *Developing Value: The business case for sustainability in emerging markets*. London: Sustainability.
- Raza, A., Rather, R. A., Iqbal, M. K., & Bhutta, U. S. (2020). An assessment of corporate social responsibility on customer company identification and loyalty in banking industry: a PLS-SEM analysis. *Management Research Review*, 43(11), 1337-1370.
- Reza, S., Mubarik, M. S., Naghavi, N., & Nawaz, R. R. (2020). Relationship marketing and third-party logistics: evidence from hotel industry. *Journal of Hospitality and Tourism Insights*, 3(3), 371-393.
- Romanova, O.A., Berg, D.B., Matveeva, Ya.A. (2017). Formirovanie konkurentnykh strategii promyshlennykh predpriatii s pozitsii korporativnoi sotsialnoi otvetstvennosti [Formation of competitive strategies of industrial enterprises from the position of corporate social responsibility]. *Ekonomicheskie i sotsialnye peremeny: fakty, tendentsii, prognoz [Economic and social changes: facts, trends, forecast]*. 54, 138–152 [in Russian].
- Rudominer, R. (2017). *Corporate Social Responsibility Matters: Ignore Millennials at Your Peril*. Retrieved from https://www.huffingtonpost.com/ryan-...b_9155670.html.
- Smirnova, E. V. (2015). Corporate social responsibility in Central Asia: A comparative analysis. *The Journal of Economic Research & Business Administration*, 108(2), 1-7.
- Wan, P., Chen, X., & Ke, Y. (2020). Does corporate integrity culture matter to corporate social responsibility? Evidence from China. *Journal of Cleaner Production*, 259, 120877.