

## **The Mediating Role of Corporate Image on the Relationship between Corporate Social Responsibility and Firm Performance: An Empirical Study**

Mohammed Alamgir<sup>1</sup>

Mohammad Nasir Uddin<sup>2</sup>

### **Abstract**

This study attempted to investigate the effects of corporate social responsibility on firm performance. It also tried to identify the mediating role of corporate image on the relationship between corporate social responsibility and firm performance. This research collected data on latent constructs through a questionnaire administered survey of managers across a spectrum of industries in Bangladesh. The proposed model has been empirically tested by using SmartPLS 2.0 software. Empirical results, based on a sample of 125 firms, suggest that corporate social responsibility can improve corporate image by establishing good controls and monitoring and thereby improve overall firm performance. The results of this study also suggest that executives should not dismiss corporate social responsibility and also need to take into account the mediating role of corporate image. A more comprehensive model can be developed considering some other context specific variables. This study also highlights the implications of the model.

**Keywords:** Corporate Social Responsibility, Corporate Image, Firm Performance

### **Introduction**

Corporate social responsibility (CSR) has gained significant attention from both academics and professionals in recent years. This attention derives mainly from the realization of the potential strategic value of pursuing CSR practices in the firm (McWilliams et al., 2006). For instance, firms can possibly achieve a positive image and/or better relationship with essential groups such as customers through CSR practices. Both internal and external stakeholders are emphasizing on the potential and actual benefits of CSR implementation and practices. The globalization of firms is also encouraging the spread of CSR practices in

---

<sup>1</sup> Professor, Department of Marketing, University of Chittagong, Chittagong, Bangladesh- E-mail: alamgir92@gmail.com

<sup>2</sup> Associate Professor, Department of Marketing, University of Chittagong, Chittagong, Bangladesh- E-mail: nasircuctg@yahoo.com

various organizations. Values that managers use to guide their decision making process are critical for insight into CSR practices of a firm (Agle et al., 1999). In addition, personal and organizational characteristics are also related to varying perceptions in ways that would help to clearly and precisely express the conditions of CSR practices.

According to the literature, company reputation or image, customer satisfaction, and firm performance are highly significant in the scholarly study (Homburg et al., 2005). Image is a general trait of a firm and reflects the extent to which a firm is perceived as good or bad (Roberts and Dowling, 2002). Precisely, corporate image refers to the impressions of a particular company held by the public (Johnson and Zinkhan, 1990). Image or reputation is important because it demonstrates how a particular firm compares to its competitors considering the stakeholder impressions of the firm's disposition to behave in a certain manner (Clark and Montgomery, 1998). Corporate image can affect the ability to raise prices with consumers and can create mobility barriers within the industry (Pelozo, 2006). CSR practices are expected to signal to stakeholders a positive impression of corporate behaviour, thereby increasing image. A significant number of academic research investigates the relationship between corporate social responsibility (CSR) and firm performance; however, the findings are indecisive (Chen and Wang, 2011; Jacobs et al., 2010; Mahoney and Roberts, 2007). Though results are mixed, the trend seems to suggest a positive relationship between CSR and firm-performance. To date, a few studies have investigated that relationship further to see the potential effects of mediating variables. This is also in accordance with the work of Galbreath and Shum (2012) as they argue that different intervening variables have not been fully investigated to see the effects of mediating variables on that link. CSR and corporate image have gained much attention in different research areas; however, in isolation. Less focus has given to investigate the underlying process of performance improvement through their collective effect. Hence, one of the objectives of this study is to investigate the mediating role of corporate image on the link between corporate social responsibility (CSR) and firm performance.

### **Objectives of the Study**

Many previous studies have indicated that CSR practices are growing in developing countries as a result of pressures from external stakeholder groups (Belal, 2001; Kamal and Deegan, 2013). Kamal and Deegan

(2013), in this regard, argue that the more an organisation faces legitimacy crisis the more it undertakes CSR initiatives. Hence, the primary objective of this study is to investigate the role of corporate social responsibility on firm performance. To comply with the primary objective, this study stresses upon following specific objectives:

1. To investigate the role of corporate social responsibility (CSR) on corporate image and on firm performance.
2. To examine the mediating role of corporate image on the link between CSR and firm performance.

### **Justification for the Study**

This study attempts to contribute to the existing CSR literature in three ways. First, this study provides an opportunity to see the relationship among CSR, corporate image and firm performance from a developing country context, such as Bangladesh, as most of the CSR studies considered those links from developed country perspectives. Second, Research on CSR has not kept pace in that the vast majority of studies examine those links and ended up with inconclusive findings. CSR is found to have a positive effect firm's overall performance in association with a fully mediated variable like corporate image. Finally, the findings are important for policymakers and executives in developing countries who are considering the adoption of CSR for improving their firm image as well as performance.

### **Literature Review and Hypotheses Development**

#### ***Corporate Social Responsibility and Corporate Image***

According to Carroll (1979) CSR refers to the social responsibility of business which encompasses the economic, legal, ethical, and discretionary (philanthropic) expectations that society has on organizations. This definition has become fairly widely accepted (Mohr et al., 2001) and emphasizes four principle types of responsibilities; economic, legal, ethical and philanthropic (Matten and Crane, 2005). Corporate image is a shared view of an organisation perceived by its stakeholders and it is considered to be an important factor for organisational legitimacy (Patten, 1991; Dowling, 1986). Organisations use several strategies to improve their image and the CSR engagement is one of the major ways to develop such image (Galbreath, 2010b; Vilanova et al., 2009).

The legitimacy perspective reports that firms persistently try to legitimate their activities through social and environmental friendly behaviours. The term, legitimacy theory, derives from 'social contract' that offers a firm a 'license to operate' within the society. Deegan's (2009) legitimacy theory attempts to explain corporate legitimate behaviour to satisfy stakeholders. A number of earlier studies (Patten, 1991; Roberts, 1992; Govindan et al., 2014) have investigated the nature of CSR activities where legitimacy pressure was found to be as an important factor for CSR practices. It has been argued that organisations accept social and environmental compliance to gain legitimacy which has been linked with better corporate image.

The existing literature shows strong relationship between corporate social responsibility and corporate image (McGuire et al., 1988). According to Fryxell and Wang (1994), image is an investment. It has been argued that reputation is a strategic asset in order to gain competitive advantage (Srivastava et al., 1997). Fomburn (1996) and many other scholars argue that CSR activities, such as, environmental friendly business operations, community engagement, human rights policies promote a positive image of the firm (Sweetin et al., 2013). If the broader stakeholders group find any irresponsible firm behaviour it can affect image which ultimately threatens firm's existence. Realising these facts, organisations are increasingly showing their commitment to offer environmental friendly products and services. Therefore, it is important for an organisation and its management to build strong corporate image and CSR is a mechanism which helps to establish that image (Arendt and Brettel, 2010). Thus, we postulate:

***H1: corporate social responsibility has positive impact on corporate image***

### ***Corporate Image and Firm Performance***

Corporate image is described as an organisation's strategy to create a desired identity (Gray and Balmer, 1998; Roberts and Dowling, 2002). CSR scholars argue that organisations and their managers create an organisation's image through various social and environmental friendly operations that satisfy the stakeholders (Bebbington et al., 2008; Carmeli and Cohen, 2001; Fomburn, 1996). It has been argued that corporate image is a symbol of corporate identity which helps to achieve organisational objectives. Prior literature suggests that corporate image plays a vital role in improving firm performance through acquiring more

customers (Fomburn and Shanley, 1990; McGuire et al., 1988). A growing number of academic studies empirically tested the impact of corporate image on firm performance and found a positive relationships (Hammond and Slocum, 1996; Roberts and Dowling, 2002). These findings suggest that image works as a signal by which a firm selects its strategies to satisfy stakeholders. In addition, Brammer and Millington (2005) note that the external causes, such as, good corporate strategy, management quality, efficient use of resources help to maintain corporate reputation and enhance performance. Porter and Kramer (2007) argue that through CSR, firms establish their image that ensures competitive advantage and provide financial returns from the market. Good image of a firm helps to reduce associated costs of a firm as employees prefer to work in a reputed firm at a lower salary (Roberts and Dowling, 2002). On the basis of above discussion, the following hypothesis is proposed,

**H2:** *There is a positive relationship between corporate image and firm performance*

### ***Corporate Social Responsibility (CSR) and Firm Performance***

Scholars broadly argue that organisations can benefit from CSR practices through gaining more customers (Gallardo-Vázquez and Sanchez-Hernandez, 2014). Firms that satisfy their stakeholders are able to achieve competitive advantage. Firms can benefit from CSR enhanced reputation when they face major crisis (Janney and Gove, 2011). Carroll (1979) suggests four types of responsibility related to CSR such as economic, legal, ethical, and discretionary responsibility. Birch (2002) argues that all firms are not likewise in practicing CSR. The economic responsibility of a firm is to make profit through job creation and providing better quality products and services. The safer workplace and ensuring human rights for the employees lead better output in the production that increase firm performance (Dawkins and Lewis, 2003; Saleh et al., 2011). Russo and Fouts (1997) argue that those firms who follow environmental laws and regulations as part of their legal responsibility can improve their environmental as well as firm performance. Moreover, as part of CSR practice, firms provide quality products and invest in community development activities which has implications for long term firm performance (Waddock and Graves, 1997; Mahoney and Roberts, 2007). In addition, being a responsible employer by providing training and employment facilities a firm may also reduce

employee turnover and improve performance. These activities have direct influence on firm's market return, sales growth and profitability, thus, enhance firm's overall performance (Orlitzky et al., 2003; Bowman, 1978). Similarly, when firm's social engagement is properly presented and fit their stakeholders' expectations that actions lead to value creation and positive impact on firm performance. Hence, it is expected that,

**H3:** *Corporate Social Responsibility has positive impact on firm performance.*

#### ***Corporate Image as Mediator between CSR and Firm Performance***

Academic scholars have empirically investigated the relationship between CSR and firm performance; however, came up with inconclusive findings (Berman et al., 1999; Galbreath and Shum, 2012). Recent literature explores some other variables, such as, corporate reputation or image can play a vital role in the link between CSR and firm performance (Galbreath and Shum, 2012; Jamali et al., 2008). Some researchers argue that CSR has strong impact on corporate image (Carmeli and Cohen, 2001; Gray and Balmer, 1998). CSR increases corporate image by creating positive customer perceptions. Many authors report that reputation has positive impact on firm market share, and market returns in terms of assets and equity (Galbreath, 2010b; Hammond and Slocum, 1996). The evidence of prior literature shows that CSR and corporate image both have positive effect on firm performance and the underlying arguments have extensively discussed in the previous sections. Hence, it can be hypothesized that,

**H4:** *Corporate image mediates the relationship between CSR and firm performance*

#### **Research Framework**

Based on the above discussion, the researchers propose a conceptual framework in order to guide the present research, presented in Figure 1. The proposed model exhibits the direct role of CSR and direct as well as mediated role of corporate image on firm performance.

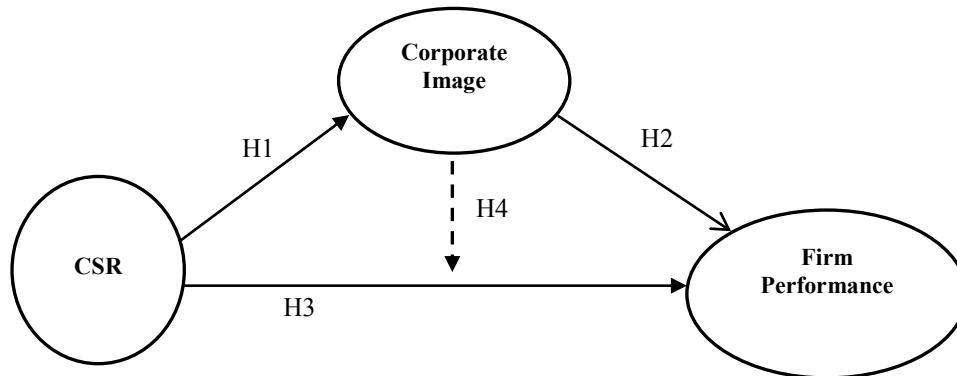


Figure 1: Proposed Research Framework

## Methodology

### *Sample and Data Collection*

Previous research predominantly used Kinder, Lydenberg and Domini (KLD) rating for CSR and related constructs, such as, corporate image measurement and KLD ratings (Nelling and Webb, 2009). A growing number of studies used content analysis for CSR measurement based on published annual reports data (Adams and Kuasirikun, 2000; Guthrie and Abeysekera, 2006) in spite of criticisms for validity and reliability of content analysis. CSR research connected to corporate image and firm performance also used secondary data sets and mainly focused on US samples (Galbreath and Shum, 2012). This study selects firms from a developing country, Bangladesh, where data sets and published annual reports, in many cases, do not exist. Therefore, a questionnaire administered survey approach has been chosen which seems appropriate in this situation (Lai et al., 2010) particularly where secondary data sets are unavailable. This study conducts a pilot survey with 25 managers and carried out an extensive literature search before preparing the final survey. Questionnaires were sent to the Managing Directors or Chief Executive Officer who has power to undertake strategic decision making for the business operations as well as CSR strategy. Initially 210 firms have been chosen using a list of companies of Bangladesh. The organisations are mainly classified as manufacturing or service oriented firm. The common

method bias and error is a challenging issue in survey method (Huse et al., 2011). Hence following the guidance of Podsakoff et al. (2003), several initiatives were taken to reduce the chance of common method bias in this research. After three rounds of follow up emails, and direct phone calls, 176 responses have been obtained and considering the logical elimination for unusable data, 125 responses found usable for this research.

This study adopted and used all measures for both independent and dependent variables from the existing literature. The questionnaire comprised three sections with each part separately evaluating organisation CSR practices, corporate image, and firm performance. All measures used 7-point Likert-type scale with the anchors “strongly disagree” rated 1 to “strongly agree” rated 7. The informants were asked to answer questions of each CSR dimensions and other related constructs.

This study adopted Deegan’s (2002) CSR conception which originally adopted from Hackston and Milne (1996). Based on the prior literature, Galbreath and Shum (2012) argue that universally accepted measurement of CSR is “neither available nor possible (p. 218)” though several authors used Carroll’s (1979) CSR conceptualisation such as economic, ethical, legal and discretionary responsibility. However, the Carroll’s (1979) conception does not directly confirm environment, energy and some other emerging factors which have been discussed in the contemporary CSR definition. The earlier studies predominantly used Fortune Most Admired companies as a measure of corporate image or reputation (Galbreath, 2010) which is mainly applicable to US contexts. However, in other developed and developing countries contexts such index does not exist. This study selects measurements for corporate image from Lai et al. (2010) and Galbreath and Shum (2012). These measures of image indicate the situations where organisations believe that customers are highly involved to build corporate image. Therefore, corporate image is assessed by four items adapted from the literature. Firm performance is measured by three items. Prior research widely used these items to measure firm’s performance (Saleh et al., 2011; Galbreath and Shum, 2012) though majority used data from annual reports.

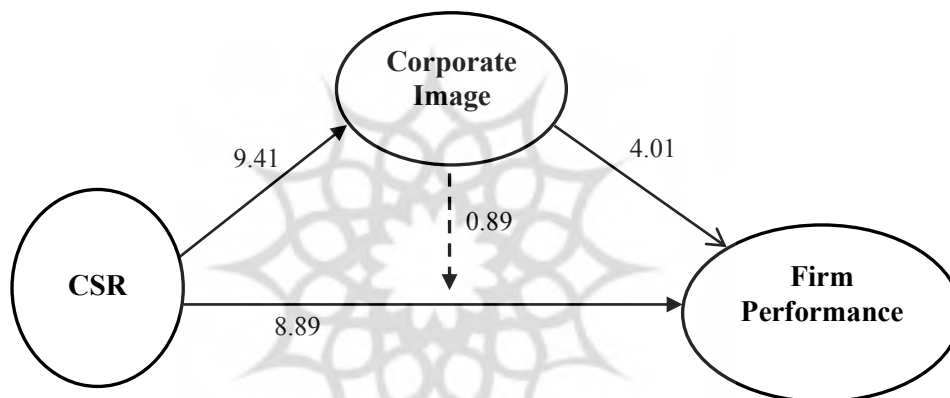
## **Analysis and Results**

### ***Assessment of the Measurement Model***

Figure 2 represents the results of Partial Least Square (PLS) analysis. This study used SmartPLS2.0 M3 to analyse the research model. The



measurement model of all constructs initially evaluated the adequacy of each multi-item scale. The Initial model consisted of 23 observed variables. This study measures internal consistency, reliability, convergent validity, and discriminant validity prior to testing the hypotheses. Referring to Igarria et al.'s (1995) and Hulland (1999) recommendation, this research considered 0.6 as the minimum cut-off level for each item. Following this rule, few items were eliminated. The revised model with 14 items was further tested using SmartPls2.0M3 (Ringle et al., 2005) and found all items exceeding cut-off value 0.6 (see Table 1). The results affirmed that all items are sufficient to represent their respective construct.



**Figure2: Results of PLS analysis**

To evaluate the internal consistency of the measures, Cronbach's alpha, composite scale reliability (CR) and average variance extracted (AVE) were calculated as suggested by Chin (1998) and Fornell and Larcker (1981). Table 1 represents that Cronbach's alpha for all measures exceeded the cut-off value indicating higher internal consistency. The composite reliability and average variance extracted for all measures exceeded the cut-off value (0.70 or more and 0.50 respectively), suggesting adequate reliability of the measures (see Table 1).

**Table 1: Measurement Items and Validity Assessment**

Construct	Item	Factor Loading	(CR)*	Cronbach's alpha	AVE
CSR	CSR1-Compliance with environmental laws and regulations.	0.7731	0.89	0.81	0.61
	CSR2- Use of recycled materials	0.7685			
	CSR3- waste management practices	0.8666			
	CSR4-Reduce energy consumption	0.8842			
	CSR5- Occupational health and safety policies	0.8456			
	CSR6- Sufficient wages for the workers.	0.7328			
	CSR7- Policies to support local community	0.7663			
	CSR8- Support sponsored campaigns	0.7122			
Corporate Image	CI1- Customers consider as professional	0.8033	0.81	0.72	0.58
	CI3- Overall positive customer perception	0.7145			
	CI4 – Highly reputed firm	0.8110			
Firm Performance	FP1- Good return on equity	0.7130	0.86	0.74	0.59
	FP2- Positive return on assets	0.8046			
	FP3- CSR enhances profitability	0.8127			

\*CR= Composite reliability

Assessment of the discriminant validity of the measures was the next step to measurement validation. A construct should share more variance with its measures than with other constructs in the model (Barclay et al., 1995; Chin, 1998). The square root of the AVE should exceed the inter-correlations of the construct with the other constructs in the model (Fornell and Larcker, 1981). Table 2 represents discriminant validity of the constructs of CSR, and corporate image (CI) where the square root of the AVE exceeds the inter-correlations of the constructs with the other constructs in the model (Henseler et al., 2009). Cross loadings of the items were also inspected to find out additional support for discriminant validity (Chin, 1998). Finally, it can be concluded that the results exhibited satisfactory discriminant validity of the model.

**Table 2: Discriminant Validity**

	CSR	Corporate Image	Firm Performance
CSR	<b>0.718*</b>		
Corporate Image	0.516	<b>0.795</b>	
Firm Performance	0.628	0.731	<b>0.806</b>

\*Note: Bold figures on the diagonal are the square root of the AVE.

### ***Assessment of the Structural Model***

A bootstrapping procedure was used to test the statistical significance of the model as well as the hypothesized relationships (Chin, 1998; Ringle et al., 2005). The results of the structural model indicate that all but one (indirect effect between CSR and FP) proposed relationships received strong support and all of the proposed hypotheses are confirmed except one. The results exhibit a strong positive effect of CSR on corporate image ( $\beta = 0.61$ ,  $t = 9.41$ ,  $p < 0.01$ ), which also support H1. Moreover, the direct effects of corporate image on FP ( $\beta = 0.40$ ,  $t = 4.01$ ,  $p < 0.01$ ) are also significant and support H2. The results of the structural model, detailing the path coefficients and t-statistics are presented in Table 3. The nomological validity or explanatory power of the model can be observed through assessing  $R^2$  values of the endogenous constructs. Based on the  $R^2$ -value it can be inferred that the model explains 52% of the variance of the model. The generated  $R^2$  value of firm performance is moderate, which is acceptable for an endogenous latent variable with only a few exogenous latent variables (Henseler et al., 2009).

**Table 3: Structural Properties of the Constructs**

Hypothesis	Relationship	Coefficient ( $\beta$ )	t-value	Result
H1	CSR $\rightarrow$ Corporate Image (CI)	0.61	9.41	Supported
H2	CI $\rightarrow$ Firm Performance (FP)	0.40	4.01	Supported
H3	CSR $\rightarrow$ FP (Direct Effect)	0.69	8.89	Supported
H4	CSR $\rightarrow$ FP (With mediators)	0.12	0.89	Not-supported
	<b>Endogenous Construct</b>	<b>Model</b>		
$R^2$	CI	0.48		
	FP	0.52		

### ***Mediating Effect of Corporate Image***

This study suggests corporate image as mediator between CSR and firm's performance. This conception refers that, CSR positively effects corporate image which eventually lead to better performance. This study followed the procedure proposed by Baron and Kenny (1986) to test the mediating effect. If the indirect effect of CSR on FP is significant as compared to the direct effect of CSR on FP, this will support to establish the significant role of corporate image in implementing CSR. At the outset, the relationship between CSR and firm performance is assessed. The relationship between CSR (independent variable) and FP (dependent variable) is significant ( $\beta = 0.69$ ,  $t = 8.89$ ,  $p < 0.01$ ). After the inclusion of mediators the model is further assessed with all paths estimated to test

mediation effects. The results (Table 3) indicate that the significant relationship (assessed earlier without including mediators) between CSR and FP becomes insignificant ( $\beta = 0.12$ ,  $t = 0.89$ ,  $p < 0.01$ ), exhibiting existence of full mediation (e.g., Baron and Kenny, 1986). Hence, the final model argues that CSR is positively associated with firm performance however, the effect is indirect. The results also demonstrate that CSR is significantly associated with corporate image which eventually fully mediate the relationship between CSR and firm performance.

### **Discussion and Implications**

This study examines the mediating effect of corporate image on the relationship between CSR and firm performance. The empirical findings support all the hypotheses except the indirect link between CSR and firm performance. Without the existence of corporate image the link between CSR and performance is positive and significant whereas with the inclusion of mediating variable the link has become insignificant demonstrating the full mediating (e.g., Baron and Kenny, 1986) role of corporate image on the link. The result exhibits that CSR builds strong corporate image through socially responsible business operation which ultimately create a positive impression to the stakeholders as well as firm performance (Galbreath and Shum, 2012). Few studies have investigated the link between CSR and performance considering some mediating variables like customer satisfaction, employee turnover, and image. However, corporate image as a mediator has largely being ignored in prior studies. Thus, this study filled this gap by showing the importance of corporate image in improving firm performance.

This study suggests that CSR has effect on corporate image that indirectly lead to better performance. Legitimacy theory argues that failure to legitimise within the community where firms operate might risk their operation in a particular society. The results indicate that firms seek to build good corporate image in the society for their existence. The findings of this study provides empirical support of the prior studies in developing countries by Belal and Owen (2007) and Islam and Deegan (2008) who argue that CSR is a tool for legitimisation of corporate social and environmental friendly activities.

***Implications***

This study opens the window to clear the confusion and finds that there are some other intervening variables like corporate image which play a mediating role in the relationship between CSR and performance. CSR and corporate image is interlinked in the literature and able to provide competitive advantage for the organisations through customer satisfaction, employee satisfaction, reduce employee turnover and developing brand equity etc. (Galbreath 2010; Lai et al, 2010) that creates brand value and increase corporate image. In this regard, Jeremy and Shum (2012) assert that corporate image has positive influence on firm performance. The findings of the current study are also in line with the conceptualization of Jeremy and Shum, (2012) where they argued that corporate image helps organisation in acquiring more customers because of their interconnectivity which in turns result in achieving firm's performance. The findings suggest that managers should conceptualise and practice CSR along with other associated variables that facilitate firms' performance.

**Conclusion**

Despite the inconsistent findings of CSR on firm performance, there has been limited empirical evidence that investigate the mediating role of corporate image on the relationship between CSR and firm performance. Hence, this study examines the direct and mediating role of corporate image on firm performance to fill this gap in the literature. A questionnaire administered survey method has been employed to collect the data from 125 respondents from different industries. Structural Equation Modelling (SEM), with the help of SmartPLS 2.0 software has been used to validate the proposed model and to test the hypotheses. Results confirm that CSR has positive influence on firm performance which is also in line with the conception of legitimacy theory. Results also reveal that CSR has positive effect on performance via corporate image which ultimately supports the mediating role of corporate image. Hence, firms voluntarily need to undertake CSR activities to satisfy the stakeholder's social and environmental concerns which eventually helps them developing corporate image. The CSR activities of an organisation also need to legitimate their operations in the society in order to ensure long-term sustainability of the firm.

### **Limitations and Future Research Direction**

Similar to prior academic studies, this study is also not free from limitations. Conceptualization and measurement of CSR is an issue of considerable debate and this study followed conceptualization of CSR proposed by Deegan (2002) adopted from Hackston and Milne (1996). Therefore, CSR dimensions proposed by other researchers and independent standard setters such as GRI could be taken into consideration. This study has drawn a sample from a developing country, Bangladesh and thus generalizability of the results may not be possible because of the contextual dissimilarities. Future research could be carried out in other developing or emerging countries which have similar socio-cultural context.



**References**

- 1- Adams, C. A., and N. Kuasirikun. 2000. A comparative analysis of corporate reporting on ethical issues by UK and German chemical and pharmaceutical companies. *European accounting review* 9 (1):53-79.
- 2- Agle, B.R., Mitchell, R.K. and Sonnenfeld, J.A., 1999. Who matters to Ceos? An investigation of stakeholder attributes and salience, corporate performance, and Ceo values. *Academy of management journal*, 42(5):.507-525.
- 3-Arendt, S., and M. Brettel. 2010. Understanding the influence of corporate social responsibility on corporate identity, image, and firm performance. *Management Decision* 48 (10):1469-1492.
- 4-Baliga, B., R. C. Moyer, and R. S. Rao. 1996. CEO duality and firm performance: what's the fuss? *Strategic Management Journal* 17 (1):41-53.
- 5-Barclay, D., C. Higgins, and R. Thompson. 1995. The partial least squares (PLS) approach to causal modeling: Personal computer adoption and use as an illustration. *Technology studies* 2 (2):285-309.
- 6-Baron, R. M., and D. A. Kenny. 1986. The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of personality and social psychology* 51 (6):1173.
- 7-Bebbington, J., C. Larrinaga-González, and J. M. Moneva-Abadía. 2008. Legitimizing reputation/the reputation of legitimacy theor. *Accounting, Auditing & Accountability Journal* 21 (3):371-374.
- 8-Belal, A. R. 2001. A study of corporate social disclosures in Bangladesh. *Managerial Auditing Journal* 16 (5):274.
- 9-Belal, A. R., and S. Cooper. 2011. The Absence of Corporate Social Responsibility Reporting in Bangladesh. *Critical Perspectives on Accounting* Forthcoming.
- 10-Belal, A. R., and D. Owen. 2007. The views of corporate managers on the current state of, and future prospects for, social reporting in Bangladesh. *Accounting, Auditing & Accountability Journal* 20 (3):472.
- 11-Berman, S., A. Wicks, S. Kotha, and T. Jones. 1999. Does stakeholder orientation matter? The relationship between stakeholder management models and firms' financial performance. *Academy of Management Journal* 42 (5):488-506.
- 12-Birch, D. 2002. Corporate Citizenship in Australia. *Journal of Corporate Citizenship* 2002 (5):73-84.

- 13-Bowman, E. 1978. Strategy, Annual reports and Alchemy. *California Management Review* 20:64.
- 14-Brammer, S., and A. Millington. 2005. Corporate reputation and philanthropy: An empirical analysis. *Journal of Business Ethics* 61 (1):29-44.
- 15-Brønn, P. S., and D. Vidaver-Cohen. 2009. Corporate motives for social initiative: legitimacy, sustainability, or the bottom line? *Journal of Business Ethics* 87 (S1):91.
- 16-Buhr, N., and M. Freedman. 2001. Culture, institutional factors and differences in environmental disclosure between Canada and United States. *Critical Perspectives of Accounting* 12 (3):293-322.
- 17-Carmeli, A., and A. Cohen. 2001. Organisational reputation as a source of sustainable competitive advantage and above normal performance: An empirical test among local authorities in Israel. *An Interactive Journal of Applied Corporate Finance* 6 (4):122-165.
- 18-Carroll, A. B. 1979. A three-dimensional conceptual model of corporate social performance. *Academy of Management Review* 4:497-505.
- 19-Chin, W. W. 1998. Commentary: Issues and opinion on structural equation modeling. *MIS Quarterly* 22 (1):vii-xvi.
- 20- ———. 2010. How to write up and report PLS analyses. In *Handbook of partial least squares*, 655-690.
- 21-Clarkson, M. 1995. Stakeholder framework for analysing and evaluating corporate social performance. *Academy of Management Review* 20:92-117.
- 22-Clark, B.H. and Montgomery, D.B., 1998. Deterrence, reputations, and competitive cognition. *Management Science*, 44(1): 62-82.
- 23-Cowen, S., L. Ferreri, and L. Parker. 1987. The impact of corporate characteristics on social responsibility disclosure: a typology and frequency-based analysis. *Accounting, Organisation and Society* 12 (2):111-122.
- 24-Dawkins, J., and S. Lewis. 2003. CSR in Stakeholder Expectations: And Their Implication for Company Strategy. *Journal of Business Ethics* 44 (2):185.
- 25-Deegan, C. 2002. The legitimising effect of social and environmental disclosures—a theoretical foundation. *Accounting, Auditing & Accountability Journal* 15 (3):282.



- 26-Donaldson, T., and L. E. Preston. 1995. The stakeholder theory of the corporation: concepts, evidence and implications. *Academy of Management Review* 20 (1):65-91.
- 27-Dowling, G. R. 1986. Managing your corporate image. *Industrial Marketing Management* 15:109-115.
- 28-Fomburn, C. J. 1996. *Reputation, realizing value from the corporate image*. Boston: MA: Harvard Business School Press.
- 29-Fomburn, C. J., and M. Shanley. 1990. What is in a name? Reputation building and corporate strategy. *Academy of Management Journal* 33 (2):233-259.
- 30-Fornell, C., and D. F. Larcker. 1981. Structural equation models with unobservable variables and measurement error: Algebra and statistics. *Journal of marketing research* 18 (3):382-388.
- 31-Freeman, R. E. 1984. *Strategic management: A stakeholder approach*. Boston: Pitman.
- 32-Fryxell, G. E., and J. Wang. 1994. Corporate 'reputation' index: Reputation for what? *Journal of management* 20 (1):1-14.
- 33- ———. 2010b. How does corporate social responsibility benefit firms? Evidence from Australia. *European Business Review* 22 (4):411-431.
- 34- ———. 2013. ESG in Focus: The Australian Evidence. *Journal of Business Ethics* 118 (3):529-541.
- 35-Galbreath, J., and P. Shum. 2012. Do customer satisfaction and reputation mediate the CSR-FP link? Evidence from Australia. *Australian journal of management* 37 (2):211-229.
- 36-Gallardo-Vázquez, D., and M. I. Sanchez-Hernandez. 2014. Measuring Corporate Social Responsibility for competitive success at a regional level. *Journal of cleaner production*, January, 2014.
- 37-Govindan, K., D. Kannan, and M. Shankar. 2014. Evaluating the drivers of corporate social responsibility in the mining industry with multi-criteria approach: A multi-stakeholder perspective. *Journal of cleaner production* 1 (19).
- 38-Goyal, P., Z. Rahman, and A. A. Kazmi. 2013. Corporate sustainability performance and firm performance research: Literature review and future research agenda. *Management Decision* 51 (2):361-379.
- 39-Gray, E. R., and J. M. T. Balmer. 1998. Managing corporate Image and corporate reputation. *Long Range Planning* 31 (5):695-702.

- 40-Gray, R., R. Kouhy, and S. Lavers. 1995. Corporate social and environmental reporting. *Accounting, Auditing & Accountability Journal* 8 (2):47.
- 41-Griffin, J. J., and J. F. Mahon. 1997. The Corporate Social Performance and Corporate Financial Performance Debate: Twenty-Five Years of Incomparable Research. *Business & society* 36 (1):5-31.
- 42-Guthrie, J., and I. Abeysekera. 2006. Content analysis of social, environmental reporting: what is new? *Journal of Human Resource Costing and Accounting* 10 (2):114-126.
- 43-Hackston, D., and M. Milne. 1996. Some determinants of social and environmental disclosures in New Zealand companies. *Accounting, Auditing & Accountability Journal* 9 (1):77.
- 44-Hammond, S., and J. Slocum. 1996. The impact of prior firm financial performance on subsequent corporate reputation. *Journal of Business Ethics* 15 (2):159-165.
- 45-Henseler, J., C. M. Ringle, and R. R. Sinkovics. 2009. The use of partial least squares path modeling in international marketing. *Advances in international marketing* 20:277-319.
- 46-Homburg, C., Koschate, N. and Hoyer, W.D., 2005. Do satisfied customers really pay more? A study of the relationship between customer satisfaction and willingness to pay. *Journal of Marketing*, 69(2): 84-96.
- 47-Hulland, J. 1999. Use of partial least squares (PLS) in strategic management research: a review of four recent studies. *Strategic Management Journal* 20 (2):195-204.
- 48-Igbaria, M., T. Guimaraes, and G. B. Davis. 1995. Testing the determinants of microcomputer usage via a structural equation model. *Journal of management information systems*:87-114.
- 49-Islam, M. A., and C. Deegan. 2008. Motivations for an organisation within a developing country to report social responsibility information: Evidence from Bangladesh. *Accounting, Auditing & Accountability Journal* 21 (6):850.
- 50-Jacobs, B. W., V. R. Singhal, and R. Subramanian. 2010. An empirical investigation of environmental performance and the market value of the firm. *Journal of Operations Management* 28 (5):430-441.
- 51-Jamali, D. 2008. A stakeholder approach to corporate social responsibility: A fresh perspective into theory and practice. *Journal of Business Ethics* 82 (1):213-231.

- 52-Jamali, D., A. M. Safieddine, and M. Rabbath. 2008. Corporate governance and corporate social responsibility synergies and interrelationships. *Corporate governance: An international review* 16 (5):443-459.
- 53-Janney, J.J. and Gove, S., 2011. Reputation and corporate social responsibility aberrations, trends, and hypocrisy: Reactions to firm choices in the stock option backdating scandal. *Journal of Management Studies*, 48(7): 1562-1585.
- 54-Jenkins, H., and N. Yakovleva. 2006. Corporate social responsibility in the mining industry: exploring trends in social and environmental disclosure. *Journal of cleaner production* 14:271-284.
- 55-Johnson, M and G. M. Zinkhan (1990), "Defining and Measuring Company Image," *Proceedings of the Thirteenth Annual Conference of the Academy of Marketing Science*, Volume XIII, New Orleans, 346-350.
- 56-Kolk, A., and J. Pinkse. 2006. Stakeholder mismanagement and corporate social responsibility crises. *European management journal* 24 (1):59-72.
- 57-Lai, C. S., C. J. Chiu, C. F. Yang, and D. C. Pai. 2010. The effects of corporate social responsibility on brand performance: the mediating effect of industrial brand equity and corporate reputation. *Journal of Business Ethics* 95 (3):457-469.
- 58-Lu, W., K. W. Chau, H. Wang, and W. Pan. 2014. A decade's debate on the nexus between corporate social and corporate financial performance: a critical review of empirical studies 2002–2011. *Journal of cleaner production* 79 (15):195-206.
- 59-Maas, S., and G. Reniers. 2014. Development of a CSR model for practice: connecting five inherent areas of sustainable business. *Journal of cleaner production* 64:104-114.
- 60-Mahoney, L., and R. W. Roberts. 2007. Corporate social performance, financial performance and institutional ownership in Canadian firms. *Accounting forum* 31 (3):233-253.
- 61-Maignan, I., and O. C. Ferrell. 2001. Corporate citizenship as a marketing instrument-Concepts, evidence and research directions. *European Journal of Marketing* 35 (3/4):457-484.
- 62-Matten, D. and Crane, A., 2005. Corporate citizenship: Toward an extended theoretical conceptualization. *Academy of Management review*, 30(1): 166-179.

- 63-McGuire, J. B., A. Sundgren, and T. Schneeweis. 1988. Corporate social responsibility and firm financial performance. *Academy of Management Journal* 31 (4):854-872.
- 64-McWilliams, A., and D. Siegel. 2000. Corporate social responsibility and financial performance: correlation or misspecification? *Strategic Management Journal* 21 (5):603-609.
- 65-Mitchell, R. K., B. R. Agle, and D. J. Wood. 1997. Toward a theory of stakeholder identification and salience: defining the principle of who and what really counts *Academy of Management Review* 22 (4):853-886.
- 66-Mohr, L.A., Webb, D.J. and Harris, K.E., 2001. Do consumers expect companies to be socially responsible? The impact of corporate social responsibility on buying behavior. *Journal of Consumer affairs*, 35(1): pp.45-72.
- 67-Momin, M. A., and L. D. Parker. 2013. Motivations for corporate social responsibility reporting by MNC subsidiaries in an emerging country: The case of Bangladesh. *The British Accounting Review* 45 (3):215-228.
- 68-Nelling, E., and E. Webb. 2009. Corporate social responsibility and financial performance: the “virtuous circle” revisited. *Review of Quantitative Finance and Accounting* 32 (2):197-209.
- 69-Ness, K. E., and A. M. Mirza. 1991. Corporate Social Disclosure: A Note on a Test of Agency Theory. *British Accounting Review* 23 (3).
- 70-Orlitzky, M., F. L. Schmidt, and S. L. Rynes. 2003. Corporate Social and Financial Performance: A Meta-Analysis. *Organisation studies* 24 (3):403-441.
- 71-Patten, D. M. 1991. Exposure, legitimacy, and social disclosure. *Journal of Accounting and Public Policy* 10:297-308.
- 72-Podsakoff, P. M., S. B. MacKenzie, J. Y. Lee, and N. P. Podsakoff. 2003. Common method biases in behavioral research: a critical review of the literature and recommended remedies. *Journal of applied psychology* 88 (5):879.
- 73-Porter, M.E. and Kramer, M.R., 2007. The Link Between Competitive Advantage and Corporate Social Responsibility. *Harvard business review*.
- Rahim, M. M., and S. Alam. 2014. Convergence of Corporate Social Responsibility and Corporate Governance in Weak Economies: The case of Bangladesh. *Journal of Business Ethics* 121 (4):607-620.
- 74-Ringle, C., M. S. Wende, and S. Will. 2005. *SmartPLS 2.0 (M3) Beta*. Hamburg.

- 75-Roberts, P. W., and G. R. Dowling. 2002. Corporate reputation and sustained superior financial performance. *Strategic Management Journal* 23 (12):1077-1093.
- 76-Roberts, R. W. 1992. Determinants of corporate social responsibility disclosure: an application of stakeholder theory. *Accounting, Organisations and Society* 17 (6):595-612.
- 77-Russo, M. V., and P. A. Fouts. 1997. A resource-based perspective on corporate environmental performance and profitability. *Academy of Management Journal* 40 (3):534-559.
- 78-Saleh, M., N. Zulkifli, and R. Muhamad. 2011. Looking for evidence of the relationship between corporate social responsibility and corporate financial performance in an emerging market. *Asia-Pacific Journal of Business Administration* 3 (2):165-190.
- 79-Siddique, S. 2009. Revisiting the literature on environmental reporting practices in annual reports in Australia. *International Review of Business Research Papers* 5 (2):317-328.
- 80-Srivastava, R.K., McInish, T.H., Wood, R.A. and Capraro, A.J., 1997. Part IV: How do reputations affect corporate performance?: The value of corporate reputation: Evidence from the equity markets. *Corporate Reputation Review*, 1(1): 61-68.
- 81-Sweetin, V., L. Knowles, J. Summey, and K. McQueen. 2013. Willingness-to-punish the corporate brand for corporate social irresponsibility. *Journal of business research* 66 (10):1822-1830.
- 82-Ullmann, A. 1985. Data in search of a theory: a critical examination of the relationships among social performance, social disclosure, and economic performance of US firms. *Academy of Management Review* 10 (3):540-557.
- 83-Vafeas, N. 1999. Board meeting frequency and firm performance. *Journal of Financial Economics* 53 (1):113-142.
- 84-Vilanova, M., J. M. Lozano, and D. Arenas. 2009. Exploring the nature of the relationship between CSR and competitiveness. *Journal of Business Ethics* 87 (1):57-69.
- 85-Waddock, S. A., and S. B. Graves. 1997. The corporate social performance. *Strategic Management Journal* 8 (4):303.