

**EXPLORING THE RELATIONSHIPS BETWEEN CORPORATE
SOCIAL IRRESPONSIBILITY, CORPORATE SOCIAL
RESPONSIBILITY, AND FIRM PERFORMANCE**

ANITA MENDIRATTA



**DEPARTMENT OF MANAGEMENT STUDIES
INDIAN INSTITUTE OF TECHNOLOGY DELHI**

JUNE 2023

© Indian Institute of Technology Delhi (IITD), New Delhi, 2023

**EXPLORING THE RELATIONSHIPS BETWEEN CORPORATE
SOCIAL IRRESPONSIBILITY, CORPORATE SOCIAL
RESPONSIBILITY, AND FIRM PERFORMANCE**

by

ANITA MENDIRATTA

Department of Management Studies

Submitted

in fulfillment of the requirements of the degree of Doctor of Philosophy

to the



INDIAN INSTITUTE OF TECHNOLOGY DELHI

JUNE 2023

To The Lotus Feet

of

Shrimati Radha Rani and Lord Krishna

CERTIFICATE

The thesis entitled, "**Exploring the relationships between Corporate Social Irresponsibility, Corporate Social Responsibility and Firm Performance**", being submitted by **Anita Mendiratta** to the Indian Institute of Technology, Delhi, for the award of the degree of **Doctor of Philosophy**, is a record of bonafide research work carried out by her. She has worked under our guidance and supervision. She has fulfilled all the requirements for submitting this thesis and attained the standard requirement for a Ph.D. degree at this institute. The results presented in this thesis have not been submitted elsewhere for any award of degree or diploma.

Prof. Shveta Singh

Department of Management Studies

Indian Institute of Technology, Delhi

Prof. Surendra Singh Yadav

Department of Management Studies

Indian Institute of Technology, Delhi

ACKNOWLEDGEMENTS

I pay salutations to my Guru, who always tries to remove ignorance from my blind eyes by illuminating my path. I bow down to my supervisors, Prof. Surendra Singh Yadav and Prof. Shveta Singh, for sharing their valuable, treasured pearls of wisdom and bestowing their kindness on me at every step. To name a few steps: selecting me as a prospective Ph.D. candidate, teaching the courses, supporting me in formulating objectives, providing freedom to set my goals, enlightening me when I required the most, and brightening my path in every possible direction. I consider these four Ph.D. years under their guidance to be the most fruitful experience of my life. I thank them from the bottom of my heart.

I am extremely grateful to Prof. Seema Sharma, the chairperson of my Student Research Committee (SRC), for her valuable comments and feedback during my study. I express my sincere gratitude to Prof. Kanika Bhal, the internal expert of my SRC, for her insightful observations and kind encouragement for my work and to Prof. Ankush Aggarwal, the external expert of my SRC, for his motivation and precious remarks that helped me to improve my work.

I am thankful to Prof. Arvind Mahajan, Lamar Savings Professor of Finance, Mays Business School, Texas A&M University, for supporting my Ph.D. work.

I am full of gratitude to Dr. Madhu Pruthi, Principal, Keshav Mahavidyalaya, University of Delhi, for her support and assistance during my study and in college. I admire her generosity in providing me with the right environment to focus on my research. I respect her from the core of my heart! I am grateful to my esteemed colleagues, non-teaching staff, and my dear students of the Keshav Mahavidyalaya for their wishes and encouragement.

I am grateful to Prof. K.V. Bhanumurthy, former Dean, Faculty of Commerce & Head of Department of Commerce, Delhi School of Economics, University of Delhi, and at present

Professor, School of Management and Entrepreneurship, Delhi Technological University, for encouragement during my work.

I am grateful to Amit Tiwari Sir, Parikshit Sir and Alok Sir for their support in administration and library-related activities. I am thankful to the Indian Institute of Technology (IIT) Delhi for its best research environment and, thereby, motivating me to have the best dream. Through this dream and the kind direction of my supervisors, I received international recognition during my Ph.D. research process.

The Fetzer Institute with Management, Spirituality, and Religion (MSR), Academy of Management, selected me as one of the twenty Fetzer Scholars 2020 worldwide. It sponsored my membership and registration fees for the Academy of Management and its annual meeting. I am grateful to the MSR, Academy of Management, and Fetzer Institute for continuing the sponsorship in 2021 and providing me a waiver again in 2022. I am grateful to the MSR community for their insightful guidance and interaction throughout and during the Annual Meetings of the Academy of Management 2020, 2021, and 2022. I express my sincere gratitude to Prof. Judi Neal, Prof. Tom Culham, Prof. Xiaoan Li, Prof. Chris Lazlo, Prof. Julia, Prof. Orneita, Prof. Jyoti Bachani, Prof. Payal Kumar, Prof. Anil Maheshwari, Prof. Stacie, Prof. Joan Marques, and Prof. Nicholas Burton for their kind interaction and wishes. Indeed, it provides a splendid learning experience to cherish and treasure the valued memories for the years to come.

These interactions and blessings led me to present internationally. I presented three papers at the prestigious platform of the Academy of Management and the Global Finance Conference. My three drafts were selected at Manuscript Development Workshops: two in the SIM Manuscript Development Session, Academy of Management, and one in PRME UK and Ireland Business and Society Research Development Workshop, University of Bath. I am

blessed to receive an opportunity to interact with Prof. Steve Brammer in one of the paper development workshops.

It all helped me get awarded first place for the prestigious MSR Promising Dissertation Award, Academy of Management, in 2022. Additionally, one of the thesis papers received the Best Paper Award among hundreds of works submitted at one of the prestigious Finance conferences, the 29th Annual Global Finance Conference in 2022. Above all, it is possible with the best guidance of my supervisors and valuable comments from my SRC members. I am extremely grateful to them for allowing me to engage and interact with the international community, including emerging scholars, to explore the trajectory of the universe.

I am blessed by my dear grandmother, Mrs. Leelawanti Chhabra, who constantly keeps me in her pious prayers. Her love is a blessing! I bow down to her! My spiritual parents, Mrs. Kamlesh Chhabra and Mr. Ashok Chhabra showed me how to live with a kind heart and compassion toward others. I bow down to them for their gentle touch and love. My parents told me the importance of honesty in education and made me realize its power. They inspired me with their ethical and spiritual thoughts, which are the roots of my foundation. I am grateful to my father-in-law, Mr. H. K. Mendiratta, for his conviction, belief, and support in my married and professional life. I bow down to him!

My expression of love and affection towards my siblings is a strength. I have two younger siblings, Ms. Bharti and Mr. Gaurav Chhabra, happily married to Mr. Ravi and Ms. Shweta. I am fortunate to have such a lovely and caring pair of siblings. I am lucky to have a brother like Gaurav and sister like Bharti. They are more of a best friend and relieves me from my anxiety. They, along with Pragnay (son of Mr. Gaurav and Ms. Shweta) and Darsh (son of Ms. Bharti and Mr. Ravi), is a stress-buster in my life. Thanks for always being there, my friends cum family!

Indeed, a friend in need is a friend. I am blessed to find good friends in this Ph.D. space: Iram Hassan and Samridhi Salwan. Thanks, folks, for always taking my calls and replying to me by text. You both are angels! I am grateful to Harshita, Dhulika, Yukti, Vikas, and Juhi for all their time and answers to my problems.

I am blessed with two wonderful sons, Paarth Mendiratta and Udhav Mendiratta. As parents of two sons, my husband, Mr. Mudit Mendiratta, and I are responsible for bringing them up with similar principles to which we have been brought up. I must mention that I did most of my research during COVID-19 while my kids were studying from home. However, it was never a hindrance to managing or spending time with them during COVID-19 when we all were at home. The COVID-19 time allowed us to understand and value each-other more.

Given that my elder son had to appear for his crucial Board exam in 2022, we did manage it well with care for each other. He scored very well in his exams with his determination and hard work. Indeed, it gives a sense of satisfaction that both my sons respect education and allow me time for my research. I am grateful to Lord Krishna for this!

My greatest strength is my husband, Mr. Mudit Mendiratta, who helped me sail through this journey. He is always with me in every vital decision and gives invaluable input. He is a jackpot in our arranged marriage and is a promise that I will have a friend forever. He is my inspiration and motivation. At my every moment of confusion, he is always there with excellent suggestions. I am blessed to have a dedicated and understanding husband in my life!

Anita Mendiratta

ABSTRACT

The management of a firm while making the financial decision about corporate social responsibility (CSR) to validate their compassion towards the society encompassing the stakeholder constellation (Brammer et al., 2007), is faced by the dilemma that this affirmative act probably reduces the firm performance. Further, past literature considered responsibility as the reverse of irresponsibility and ignored corporate social irresponsibility (CSiR) (Kölbel et al., 2017; Lange & Washburn, 2012; Lin-Hi & Müller, 2013; Strike et al., 2006; Tang et al., 2015).

However, CSR and CSiR for a firm can vary in degree, and thereby, the firms can be responsible and irresponsible simultaneously (Kölbel et al., 2017; Lange & Washburn, 2012; Lin-Hi & Müller, 2013; Strike et al., 2006). Therefore, CSR and CSiR are different constructs with diverse underlying factors and can co-exist together. Consequently, this study intends to build the literature and add value in the related direction.

Undertaking manual analysis (DiMaggio et al., 2013) and word-count procedures in reviews (Hannigan et al., 2019) is not possible in huge texts (Kapoor et al., 2018). Qualitative attempts to analyze literature, such as reading text, are impractical with a large corpus of documents (DiMaggio et al., 2013). Their interpretation through insight or codification has apparent limitations of getting bias-prone results (DiMaggio et al., 2013). It encourages the study to utilize bibliometric analysis in the literature review.

Further, the study addresses the first three research objectives of examining the bi-directional relationships between CSR, CSiR, and firm performance. Consequently, the thesis utilizes the panel VAR model with system GMM to explore the observed associations. Before estimating panel VAR, the study analyses the conditions of cross-sectional dependence (CD),

stationarity, cointegration, and stability. It also determines the optimal lag order for modeling panel VAR.

The empirical findings indicate that the data is cross-sectionally dependent and stationery at first differencing for all the endogenous variables. Further, no cointegration signifies the absence of a long-run relationship in the variables. In addition, all models are stable as the eigenvalues of the dynamic matrix are strictly less than one and lie within the unit circle. It sets the condition to estimate data by application of the panel VAR model. The optimal lag criteria suggested is the lag order of one.

This study augments the theoretical and empirical literature investigating the bi-directional relationship between firm performance, CSR, and CSiR. On theoretical lines, it asks about the reverse linages and simultaneous operations between the variables. The study analyzes the endogenous variables by applying panel VAR methodology with the Granger causation test, impulse response functions, and variance decomposition.

Empirically in the context of India, it supports a uni-directional relationship between CSR and firm performance, supporting good management mechanisms. Second, it confirms the bi-directional relationship between CSiR and firm performance. It suggests the existence of reverse paths in the form of a virtuous circle. A prior reduction in CSiR increases firm performance, and this increase in firm performance further reduces CSiR. Lastly, the results validate the bi-directional relationship between CSiR and CSR. It confirms moral consistency that a prior increase in CSR decreases CSiR. Additionally, a decrease in CSiR decreases CSR, indicating that firms reduce CSR if they have nothing to cleanse for previous CSiR. Overall, it suggests that investing in CSR in the prior period decreases subsequent CSiR, further reducing CSR.

The fourth objective deals with a novel empirical data case RepRisk[®]. It investigates whether the type of media reach and media severity impacts firm performance. RepRisk[®] database is wide-ranging as it collects information from over 80,000 news sources from print and online media, social media, NGOs, regulators, government bodies, and other stakeholders that follow the firms. It is issue-driven and uses the individual issue to analyze the related firm exposed to CSiR. RepRisk[®] reviews the media sources daily for a continuous investigation of the gap between the assurances of the firms and integrity in practice. RepRisk[®] database provides data on the media reach and severity types, including low, medium, and high, for Indian companies.

The media coverage of the CSiR outlook embraces that businesses are stimulated to act dutifully to evade adverse impacts on their firm performance. For policy implications, the study highlights the irregularity through which media coverage of CSiR impacts firm performance in India. The finding challenges the CSiR literature, arguing that media coverage acts as 'constituency pressure' for firms (Erfle & McMillan, 1990, p. 123). For instance, it is associated with higher disclosures (Brown & Deegan, 1998) and social investment (Brammer & Pavelin, 2005).

However, the research does not endorse this validation in the context of India. Instead, it demonstrates that evaluators punish not all companies in all conditions. Specifically, it discovers that constituency pressure of media coverage exists when media reach is high, and media severity is low. In other words, media coverage significantly reduces the firm irresponsible behaviour when it has a high reach and low severity.

The fifth objective explores a disaggregate analysis based on types of issues, firm size, and firm age. RepRisk[®] identifies the types of issues: environment, social, governance, and

cross-cutting. RepRisk® further segregates social issues into community and employee-related matters.

It is found that all issues, including social, governance, and cross-cutting except environmental, negatively impact firm performance in India. In addition, all social issues, including community and employee-related matters, also reduce the firm performance. The insignificant environmental impact on firm performance does not indicate that ecological issues have no detrimental consequences. Instead, it might need more awareness among stakeholders to understand the harmful implications of environmental matters on society. Additionally, the study disaggregates the sample based on size - big versus small size and age- old versus young firms. It is noteworthy that CSiR negatively influences firm performance for all sizes of firms (big and small) and old firms specifically.

सार

कॉर्पोरेट सामाजिक उत्तरदायित्व (सीएसआर) के बारे में वित्तीय निर्णय लेते समय एक फर्म का प्रबंधन हितधारक समूह (ब्रैमर और अन्य, 2007) को शामिल करने वाले समाज के प्रति अपनी करुणा को मान्य करने के लिए इस दुविधा का सामना करता है कि यह सकारात्मक कार्य शायद फर्म को कम कर देता है। इसके अलावा, पिछले साहित्य ने जिम्मेदारी को गैरजिम्मेदारी के विपरीत माना और कॉर्पोरेट सामाजिक गैरजिम्मेदारी (सीएसआईआर) (कोबेल और अन्य, 2017; लेंग एंड वाशबर्न, 2012; लिन-हाय एंड मुलर, 2013; स्ट्राइक और अन्य, 2006; टेंग और अन्य, 2015)।

हालांकि, एक फर्म के लिए सीएसआर और सीएसआईआर डिग्री में भिन्न हो सकते हैं, और इस प्रकार, फर्म एक साथ जिम्मेदार और गैर-जिम्मेदार हो सकती हैं (कोल्बेल और अन्य, 2017; लेंग एंड वाशबर्न, 2012; लिन-हाय एंड मुलर, 2013; स्ट्राइक और अन्य, 2006)। इसलिए, सीएसआर और सीएसआईआर विविध अंतर्निहित कारकों के साथ अलग-अलग निर्माण हैं और एक साथ सह-अस्तित्व में हो सकते हैं। नतीजतन, यह अध्ययन साहित्य का निर्माण करने और संबंधित दिशा में मूल्य जोड़ने का इरादा रखता है।

मैन्युअल विश्लेषण (डिमैगियो और अन्य, 2013) और समीक्षा में शब्द-गणना प्रक्रिया (हैनिगन और अन्य, 2019) बड़े टेक्स्ट में संभव नहीं है (कपूर और अन्य, 2018)। साहित्य का विश्लेषण करने के लिए गुणात्मक प्रयास, जैसे पाठ पढ़ना, दस्तावेजों के एक बड़े कोष के साथ अव्यावहारिक

हैं (डिमैगियो और अन्य, 2013)। अंतर्दृष्टि या संहिताकरण के माध्यम से उनकी व्याख्या में पूर्वाग्रह-प्रवण परिणाम प्राप्त करने की स्पष्ट सीमाएँ हैं (डिमैगियो और अन्य, 2013)। यह साहित्य समीक्षा में ग्रंथमितीय विश्लेषण का उपयोग करने के लिए अध्ययन को प्रोत्साहित करता है।

इसके अलावा, अध्ययन सीएसआर, सीएसआईआर और फर्म के प्रदर्शन के बीच द्वि-दिशात्मक संबंधों की जांच के पहले तीन शोध उद्देश्यों को संबोधित करता है। नतीजतन, थीसिस मनाया संघों का पता लगाने के लिए सिस्टम जीएमएम के साथ पैनेल वार मॉडल का उपयोग करता है। पैनेल वार का अनुमान लगाने से पहले, अध्ययन क्रॉस-सेक्शनल डिपेंडेंस, स्थिरता, सह-एकीकरण और स्थिरता की स्थितियों का विश्लेषण करता है। यह मॉडलिंग पैनेल वार के लिए इष्टतम लैग ऑर्डर भी निर्धारित करता है।

अनुभवजन्य निष्कर्षों से संकेत मिलता है कि डेटा क्रॉस-सेक्शनल रूप से निर्भर है और सभी अंतर्जात चर के लिए पहले अंतर पर स्टेशनरी है। इसके अलावा, कोई भी सह-एकीकरण चरों में दीर्घकालीन संबंध की अनुपस्थिति को नहीं दर्शाता है। इसके अलावा, सभी मॉडल स्थिर हैं क्योंकि डायनेमिक मैट्रिक्स के आइगेन मान एक से कम हैं और यूनिट सर्कल के भीतर स्थित हैं। यह पैनेल वार मॉडल के अनुप्रयोग द्वारा डेटा का अनुमान लगाने की स्थिति निर्धारित करता है। सुझाया गया इष्टतम अंतराल मानदंड एक का अंतराल क्रम है।

यह अध्ययन फर्म के प्रदर्शन, सीएसआर और सीएसआईआर के बीच द्वि-दिशात्मक संबंध की जांच करने वाले सैद्धांतिक और अनुभवजन्य साहित्य को बढ़ाता है। सैद्धांतिक आधार पर, यह रिवर्स लाइनेज और वेरिबल्स के बीच एक साथ संचालन के बारे में पूछता है। अध्ययन ग्रेजर कारण परीक्षण, आवेग प्रतिक्रिया कार्यों, और भिन्नता अपघटन के साथ पैनेल वीएआर पद्धति को लागू करके अंतर्जात चर का विश्लेषण करता है।

अनुभवजन्य रूप से भारत के संदर्भ में, यह सीएसआर और फर्म के प्रदर्शन के बीच एक दिशात्मक संबंध का समर्थन करता है, अच्छे प्रबंधन तंत्र का समर्थन करता है। दूसरा, यह सीएसआईआर और फर्म के प्रदर्शन के बीच द्वि-दिशात्मक संबंध की पुष्टि करता है। यह एक पुण्य चक्र के रूप में उल्टे रास्तों के अस्तित्व का सुझाव देता है। सीएसआईआर में एक पूर्व कमी फर्म के प्रदर्शन को बढ़ाती है, और फर्म के प्रदर्शन में यह वृद्धि सीएसआईआर को और कम कर देती है। अंत में, परिणाम सीएसआईआर और सीएसआर के बीच द्वि-दिशात्मक संबंध को मान्य करते हैं। यह नैतिक स्थिरता की पुष्टि करता है कि सीएसआर में पूर्व वृद्धि सीएसआईआर घट जाती है। इसके अतिरिक्त, सीएसआईआर में कमी से सीएसआर घटता है, यह दर्शाता है कि कंपनियां सीएसआर को कम करती हैं यदि उनके पास पिछले सीएसआईआर के लिए साफ करने के लिए कुछ नहीं है। कुल मिलाकर, यह सुझाव देता है कि पिछली अवधि में सीएसआर में निवेश करने से बाद के सीएसआईआर में कमी आती है, जिससे सीएसआर में और कमी आती है।

चौथा उद्देश्य एक नए अनुभवजन्य डेटा केस RepRisk® से संबंधित है। यह जांच करता है कि मीडिया के प्रकार की पहुंच और मीडिया की गंभीरता फर्म के प्रदर्शन को प्रभावित करती है या नहीं। RepRisk® डेटाबेस व्यापक श्रेणी का है क्योंकि यह प्रिंट और ऑनलाइन मीडिया, सोशल मीडिया, एनजीओ, नियामकों, सरकारी निकायों और फर्मों का पालन करने वाले अन्य हितधारकों से 80,000 से अधिक समाचार स्रोतों से जानकारी एकत्र करता है। यह मुद्दा-संचालित है और सीएसआईआर के संपर्क में आने वाली संबंधित फर्म का विश्लेषण करने के लिए व्यक्तिगत मुद्दे का उपयोग करता है। RepRisk® फर्मों के आश्वासनों और व्यवहार में सत्यनिष्ठा के बीच अंतर की निरंतर जांच के लिए प्रतिदिन मीडिया स्रोतों की समीक्षा करता है। RepRisk® डेटाबेस भारतीय कंपनियों के लिए निम्न, मध्यम और उच्च सहित मीडिया पहुंच और गंभीरता प्रकारों पर डेटा प्रदान करता है।

सीएसआईआर दृष्टिकोण का मीडिया कवरेज यह स्वीकार करता है कि व्यवसायों को उनकी फर्म के प्रदर्शन पर प्रतिकूल प्रभाव से बचने के लिए कर्तव्यनिष्ठा से कार्य करने के लिए प्रेरित किया जाता है। नीतिगत प्रभावों के लिए, अध्ययन में अनियमितता पर प्रकाश डाला गया है जिसके माध्यम से सीएसआईआर का मीडिया कवरेज भारत में फर्म के प्रदर्शन को प्रभावित करता है। खोज सीएसआईआर साहित्य को चुनौती देती है, यह तर्क देते हुए कि मीडिया कवरेज फर्मों के लिए 'निर्वाचन क्षेत्र के दबाव' के रूप में कार्य करता है (एफ़ल और मैकमिलन, 1990,

पृष्ठ 123)। उदाहरण के लिए, यह उच्च प्रकटीकरण (ब्राउन एंड डीगन, 1998) और सामाजिक निवेश (ब्रैमर एंड पावेलिन, 2005) से जुड़ा है।

हालाँकि, शोध भारत के संदर्भ में इस मान्यता का समर्थन नहीं करता है। इसके बजाय, यह दर्शाता है कि मूल्यांकनकर्ता सभी कंपनियों को सभी स्थितियों में दंडित नहीं करते हैं। विशेष रूप से, यह पता चलता है कि मीडिया कवरेज का निर्वाचन क्षेत्र का दबाव तब मौजूद होता है जब मीडिया की पहुंच अधिक होती है, और मीडिया की गंभीरता कम होती है। दूसरे शब्दों में, मीडिया कवरेज फर्म के गैर-जिम्मेदाराना व्यवहार को महत्वपूर्ण रूप से कम कर देता है, जब इसकी उच्च पहुंच और कम गंभीरता होती है।

पाँचवाँ उद्देश्य विभिन्न प्रकार के मुद्दों, फर्म के आकार और फर्म की आयु के आधार पर एक अलग-अलग विश्लेषण की पड़ताल करता है। रेपरिस्क® मुद्दों के प्रकारों की पहचान करता है: पर्यावरण, सामाजिक, प्रशासन और क्रॉस-कटिंग। RepRisk® आगे सामाजिक मुद्दों को समुदाय और कर्मचारी से संबंधित मामलों में अलग करता है।

यह पाया गया है कि पर्यावरण को छोड़कर सामाजिक, शासन और क्रॉस-कटिंग सहित सभी मुद्दे भारत में फर्म के प्रदर्शन को नकारात्मक रूप से प्रभावित करते हैं। इसके अलावा, समुदाय और कर्मचारी से संबंधित मामलों सहित सभी सामाजिक मुद्दे भी फर्म के प्रदर्शन को कम करते हैं। फर्म के प्रदर्शन पर नगण्य पर्यावरणीय प्रभाव यह नहीं दर्शाता है कि पारिस्थितिक मुद्दों का कोई हानिकारक परिणाम नहीं है। इसके बजाय, समाज पर पर्यावरणीय मामलों के

हानिकारक प्रभाव को समझने के लिए हितधारकों के बीच अधिक जागरूकता की आवश्यकता हो सकती है। इसके अतिरिक्त, अध्ययन आकार के आधार पर नमूने को अलग करता है - बड़े बनाम छोटे आकार और पुराने बनाम युवा फर्म। यह उल्लेखनीय है कि सीएसआईआर सभी प्रकार की फर्मों (बड़ी और छोटी) और विशेष रूप से पुरानी फर्मों के लिए फर्म के प्रदर्शन को नकारात्मक रूप से प्रभावित करता है।

TABLE OF CONTENTS

CERTIFICATE.....	i
ACKNOWLEDGEMENTS.....	ii
ABSTRACT.....	vi
TABLE OF CONTENTS.....	x
LIST OF FIGURES.....	xvii
LIST OF TABLES.....	xix
ABBREVIATIONS.....	xxi
LIST OF APPENDICES.....	xxiii
CHAPTER 1: INTRODUCTION TO THE STUDY.....	1
1.1 Background.....	1
1.2 Overview of the Study.....	4
1.2.1 Research Gaps.....	4
1.2.2 Research Questions.....	7
1.2.3 Research Objectives.....	7
1.3 Significance of the Study.....	8
1.4 Organization of the Thesis.....	11
1.5 Concluding Observations.....	14
CHAPTER 2: LITERATURE REVIEW.....	15
2.1 Introduction.....	15
2.2 Bibliometric analysis.....	17

2.2.1 Rationale for Bibliometric Analysis in the Study	18
2.2.2 Previous Bibliometric Analysis for Tracing Literature	20
2.2.3 Methodology applied for selection of papers.....	20
2.3 Literature evolution.....	23
2.3.1 Initial data statistics.....	25
2.3.2 Country-based citation analysis	26
2.3.3 Keywords co-occurrence analysis.....	28
2.3.4 Co-citation analysis.....	31
2.3.5 Co-authorship analysis.....	39
2.4 Topic Modeling.....	40
2.4.1 Rationale behind Topic Modeling exercise	40
2.4.2 Steps in Topic Modeling exercise.....	42
2.4.3 Topic development and trends	61
2.5 Discussion on the slow progress of CSiR and literature observations.....	64
2.5.1 Reasons for the slow progress of CSiR.....	65
2.5.2 Literature observations from Bibliometric analysis and Topic Modeling ..	67
2.6 Bi-directional Association	69
2.6.1 CSR and Firm Performance Relationship.....	70
2.6.2 CSiR and Firm Performance Relationship.....	72
2.6.3 CSiR and CSR Relationship	75
2.7 Media Reach and Media Severity	81

2.8 Review of Literature on Methodology Used	83
2.9 Review of Literature on CSiR Proxy Variable	87
2.10 Review of Literature on Control Variables.....	89
2.11 Summary and Conclusion	90
CHAPTER 3: RESEARCH METHODOLOGY	95
3.1 Introduction.....	95
3.2 Research Objectives and Research Hypotheses.....	95
3.3 Scope of the study.....	98
3.3.1 Why study Indian companies?	98
3.3.2 Sample Construction.....	101
3.4 Methodology.....	101
3.4.1 Endogenous Variables	104
3.4.2 Control Variables	105
3.4.3 Research methodology used	107
3.4.4 Cross-sectional dependence	109
3.4.5 Panel unit root test	110
3.4.6 Cointegration test and Stability test	111
3.4.7 Panel VAR estimates, Granger Causation Testing, Impulse Response Functions, and Variance Decomposition Analysis	111
3.5 Summary and Conclusions	113
CHAPTER 4: PRE-TESTING ANALYSIS	115
4.1 Introduction.....	115

4.2 Methodology.....	115
4.2.1 Measures and Scope.....	115
4.2.2 Research Methodology	115
4.2.3 Layout of Empirical Analysis	116
4.3 Analysis and Findings.....	116
4.3.1 Cross-sectional dependence.....	116
4.3.2 Unit-root test	117
4.3.3 Cointegration test.....	118
4.3.4 Stability test	119
4.3.5 Optimal Lag determination.....	119
4.4 Summary and Conclusion.....	121
CHAPTER 5: BI-DIRECTIONAL ASSOCIATIONS	122
5.1 Introduction.....	122
5.2 Methodology.....	125
5.2.1 Scope and Measures.....	125
5.2.2 Research Methodology	128
5.2.3 Layout of Empirical Analysis	129
5.3 Analysis and Findings.....	130
5.3.1 Panel VAR estimates and Granger Causality Wald test.....	130
5.3.2 Results for orthogonalized IRF measurements and variance decomposition analysis.....	132
5.4 Discussion.....	135

5.4.1 Alternative measure for firm size	135
5.4.2 Including dummies for R&D and Advertisement.....	135
5.4.3 Alternative measure for the profitability control variable	135
5.5 Implications and Recommendations	136
5.6 Summary and Conclusion	136
CHAPTER 6: EMPIRICAL CASE- INVESTIGATION ON RepRisk [®] DATA	137
6.1 Introduction.....	137
6.2 Scope of the study	138
6.2.1 Media Coverage of CSiR.....	138
6.2.2 Media reach of CSiR.....	139
6.2.3 Media severity of CSiR.....	141
6.2.4 Rationale to study a different empirical data case	144
6.3 Methodology.....	144
6.3.1 Sample.....	144
6.3.2 Control Variables	145
6.3.3 Empirical Case source: RepRisk [®]	149
6.3.4 Research Methodology	151
6.3.5 Layout of Empirical Analysis	153
6.4 Analysis and Findings.....	153
6.4.1 Descriptive Results and Correlation Matrix	153
6.4.2 Main results.....	158

6.5 Discussion.....	161
6.6 Implications and Recommendations.....	165
6.7 Summary and Conclusion.....	167
CHAPTER 7: DISAGGREGATE ANALYSIS.....	168
7.1 Introduction.....	168
7.2 Methodology.....	169
7.2.1 Scope and Measures.....	169
7.2.2 Disaggregation analysis.....	171
7.2.3 Research Methodology.....	172
7.2.4 Layout of empirical analysis.....	172
7.3 Analysis and Findings.....	173
7.3.1 Disaggregation based on types of CSiR issues.....	173
7.3.2 Disaggregation based on Firm Size and Firm Age.....	178
7.4 Discussion.....	179
7.5 Implications and Recommendations.....	180
7.6 Summary and Conclusions.....	180
CHAPTER 8: CONCLUSION.....	182
8.1 Introduction.....	182
8.2 Significant Findings from the Research.....	182
8.3 Recommendations from the Study.....	184
8.4 Contributions of the Study.....	189

8.5 Limitations and Scope for the Future Research	193
REFERENCES	196
APPENDICES	246
ANNEXURES	264
Annexure 1	264
Annexure 2	267
CURRICULUM-VITAE.....	273

LIST OF FIGURES

Figure 1.1: Research Gaps	6
Figure 2.1: Thematic presentation of Literature Review	16
Figure 2.2: Thematic structure for Bibliometric analysis	18
Figure 2.3: Inclusion and Exclusion Criteria for Bibliometric analysis	22
Figure 2.4: Thematic Structure for Literature Evolution	24
Figure 2.5: Number of articles on CSiR published per year	25
Figure 2.6: Country-based citation analysis.....	28
Figure 2.7: Keywords co-occurrence analysis visualization.....	29
Figure 2.8: Visualization of co-citation analysis for cited sources	33
Figure 2.9:Co-citation analysis for cited references	37
Figure 2.10:Co-authorship analysis visualization.....	39
Figure 2.11: Coherence scores across a different number of topics	48
Figure 2.12: Topic distribution across documents.....	52
Figure 2.13:Visualization of topic modeling	53
Figure 2.14: Longitudinal analysis of the topic distribution.....	62
Figure 2.15: Citation analysis of the topic distribution.....	63
Figure 2.16: Bi-Directional Associations between CSR, CSiR and Firm Performance	69
Figure 2.17: Bi-directional association between CSR and firm performance	70
Figure 2.18: Bi-directional association between CSiR and Firm Performance	75
Figure 2.19: Bi-directional association between CSiR and CSR.....	81
Figure 3.1: Thematic structure of Methodology	103
Figure 4.1: Stability of the Models	120
Figure 5.1: Prior CSR impacts subsequent firm performance	123

Figure 5.2: Prior firm performance impacts subsequent CSR	123
Figure 5.3: Prior CSiR influences subsequent firm performance	123
Figure 5.4: Prior firm performance influences CSiR.....	124
Figure 5.5: Prior CSR impacts subsequent CSiR	124
Figure 5.6: Prior CSiR impact subsequent CSR	124
Figure 5.7: Orthogonalized IRFs	134
Figure 6.1: Impact of RepRisk® CSiR on Firm performance	139
Figure 6.2: Impact of types of Media Reach on Firm performance.....	141
Figure 6.3: Impact of types of Media Severity on Firm Performance	143
Figure 7.1: CSiR media coverage	174

LIST OF TABLES

Table 2.1: Top ten sources in CSiR literature	26
Table 2.2: Keywords co-occurrence analysis	30
Table 2.3: Backbone of CSiR literature	32
Table 2.4: The foundation of CSiR Literature	34
Table 2.5: Common terms in the topic modeling exercise	44
Table 2.6: Topic identification and labels.....	49
Table 4.1: Results for Cross-sectional dependence test of Pesaran (2004)	117
Table 4.2: Pesaran (2007) CIPS Panel Unit Root test	118
Table 4.3: Westerlund (2007) Panel Cointegration test.....	119
Table 4.4: Andrews and Lu (2001) MMSC lag selection criteria.....	121
Table 5.1: Descriptive Statistics	126
Table 5.2: Correlation Matrix	127
Table 5.3: Panel VAR estimates	130
Table 5.4: Variance Decomposition	135
Table 6.1: Distribution of CSiR across media reach counts	150
Table 6.2: Distribution of CSiR across media severity counts	151
Table 6.3: Descriptive Statistics	154
Table 6.4: Correlation Matrix	157
Table 6.5: Regression results	159
Table 6.6: Regression for total reach and total severity.....	162
Table 7.1: CSiR media coverage and its segregated issues (Panel A) and Social Issues segregation (Panel B).....	173
Table 7.2: Regression results	176
Table 7.3: Regression results for subgroups of social issue	177

Table 7.4: Regression results for disaggregation based on Firm Size and Firm Age 178

Table 8.1: Recommendations from the study 184

ABBREVIATIONS

ADF	Augmented Dickey-Fuller
CADF	Cross-Sectional Augmented Dickey-Fuller
CD	Cross-Sectional Dependence
CIPS	Cross-Sectionally Augmented Im-Pesaran-Shin
CSiR	Corporate Social Irresponsibility
CSP	Corporate Social Performance
CSR	Corporate Social Responsibility
DPS	Dividend Per Share
EBIT	Earnings Before Interest And Taxes
ESG	Environment, Social, Governance
GMM	Generalized Methods of Moments
ICR	Interest Coverage Ratio
IRF	Impulse Response Function
LDA	Latent Dirichlet Allocation
LTDL	Long-term Debt to Total Liabilities
LTDS	Long-term Debt to Total Sales
MAIC	MMSC-Akaike Information Criteria
MALLET	Machine Learning for Language Toolkit
MBIC	MMSC-Bayesian Information Criteria
MMSC	Moment and Model Selection Criteria
MQIC	MMSC-Hannan-Quinn Information Criteria
MTB	Market-to-Book value
NLP	Natural Language Processing

NLTK	Natural Language Toolkit
PDF	Portable Document Format
R&D	Research and Development
ROA	Return on Assets
ROE	Return on Equity
ROS	Return on Sales
SOE	State-Owned Enterprises
TLS	Total Link Strength
US	United States
VAR	Vector Autoregressive

LIST OF APPENDICES

Appendix 1: Variables Description.....	246
Appendix 2: CSP score themes in each category.....	248
Appendix 3 RepRisk [®] Algorithm taken From RepRisk [®] Database	249
Appendix 4: RepRisk [®] Methodology	250
Appendix 5: RepRisk [®] twenty-eight ESG Issues by RepRisk [®] Data Base	251
Appendix 6: RepRisk [®] 28 ESG issues and their definitions as per RepRisk [®] Data Base	252
Appendix 7: Variables for RepRisk [®] Empirical Case.....	260
Appendix 8: Variables for Disaggregation analysis	262