



The Relationship between Social Responsibility and the Performance of the organization

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Abstract:

Today social responsibility is a fundamental principle of business entities, which should be regularly applied in the relations with interested parties, the purpose of the research is to study and deepen the theoretical provisions regarding the relationship between corporate responsibility and the performance of organizations, the research objectives include: 1) to study foreign experience of introducing corporate responsibility practices; to determine the forms of their influence on the activities of business entities; 2) to study the features of the implementation of the corporate responsibility principles based on the example of the Egyptian, Russian and Kazakhstan enterprises (according to the United Nations Global Compact as most growing countries in social responsibility) and to analyze the results obtained; 3) to propose practical recommendations for the development of corporate responsibility in Egypt, Russia and Kazakhstan from the perspective of coordinated actions of the public and private sectors. A set of scientific methods of cognition was used in the study. The results obtained demonstrate certain differences in the impact of corporate responsibility on the activities of enterprises in the context of different countries of the world. The practical relevance of the research conclusions and recommendations lies in the possibility of their practical application at the level of the state and individual business entities, which will allow creating social and economic value for all interested parties.

Keywords: social responsibility, enterprise, effect, society, state, government, profitability.

Introduction.

The development of a new intellectual economy, the growth of the - duration and reduction of the lag between the global financial and economic crises, increased competition and globalization affect the formation of the new paradigms and conceptual approaches to improving the business process management system of enterprises, the key component of which is corporate responsibility (CR). In some countries, CR is organically integrated into public policy, for example, in Sweden, Denmark, Finland; in others, socially responsible practices relate exclusively to the prerogatives of companies (the Netherlands, Greece, Slovenia) (Sharma, 2019). In 2000, the concept of CR gained worldwide recognition due to the creation of the UN Global Compact.

The annual European Competitiveness Reports provide compelling evidence that social responsibility contributes to saving and capitalizing enterprise funds (Burton, Turnbull 2019). These conclusions are also supported by the *Fair trade studies*, which show a 65% increase in the sales of goods marked as “fair”. In 2010, the sales of such goods amounted to \$ 3.4 billion and in 2018; they reached \$ 6.3 billion (Smith, 2019).

For a long time Egyptian companies have been following the trend of change driven by the ideas of the A.Collar's Corporate Responsibility Hierarchy and Dan Woods' Corporate Development Model (Abdelhalim & Eldin, 2019).

Companies have become increasingly convinced of social responsibility, and today they face great social and economic challenges in their business process and assume their responsibilities and interactions with society, in pursuit of their economic goals first, and the needs of society secondly (Elasrag, 2015).

Due to the eventful political processes taking place in the country over the past decade (El-Bassiouny & Letmathe, 2019), Egyptian companies have been able to practically assess the importance of building corporate responsibility both in terms of the relations with their customers, and in terms of the relations with the state (Hegazy, 2018).

Thus, having stated that, it cannot be denied that there is a close relationship between corporate responsibility and the performance of modern enterprises, which is manifested in several aspects: ensuring sustainable business development, ethical and transparent functioning, staff loyalty, environmental standards, and balanced satisfaction of the interests of all key stakeholders.

These issues are especially relevant in developing countries where a market economy is being formed and, accordingly, the first steps towards introducing the concept of “socially responsible business” are being taken. These countries include the former Soviet republics and, in particular, Russia and Kazakhstan.

In 2008, Russia joined the United Nations Global Compact. However, at the end of 2019, there were only 71 Russian business representatives out of 9953 companies participating in the Global Compact. Kazakhstan, in turn, has been a member of the UN GC since 2015, and today there are only 18 Kazakh companies in the Compact.

This obviously demonstrates that business entities in both Russia and Kazakhstan do not yet have a clear understanding of the importance and necessity of the corporate responsibility implementation and are not

sufficiently informed about the advantages and benefits that can be gained from the implementation of the socially responsible management principles. At the same time, taking into the regime of saving financial resources, the concept of corporate responsibility cannot be fully implemented by any enterprise in a country with a transformational economy.

Thus, in the view of the above, there is a considerable scientific and practical interest in the impact of corporate responsibility on the indicators and results of business entities in Russia and Kazakhstan; this determines the theoretical and practical relevance of the study.

Many sciences and professions conducted Literature Review, many researches and studies, especially the profession of administration, social work and sociology on the topic of social responsibility of organizations towards society (EL Nasr, M 2015).

A significant number of fundamental scientific works, in particular (Nave&Ferreira, 2019; Ahmed, 2017; Genedy&Sakr, 2017; Eshra&Beshir, 2017), have been devoted to the identification and analysis of the relationship between corporate responsibility and the performance of business entities.

The concepts and practical recommendations formulated by these authors include the identification of the enterprise mission development principles in the context of implementing corporate responsibility; the justification of the basic business strategies of the enterprise; the optimization of labor relations, as well as the peculiarities of compiling corporate reports, criteria for choosing the most effective environmental protection methods, tools for the interaction with local authorities in the implementation of social policies, etc.

The researcher also generalized and systematized modern Western models of the social responsibility introduction into enterprise management; they did not raise the question of the possibilities of transforming social responsibility into a tool for managing business entities. A number of scientists analyzed the financial statements of 30 Egyptian enterprises that were part of the EGX30 stock index over the period from 2007 to 2010. They pointed out that the implementation of a systematic approach to social responsibility directly affected the value of current capital and customer loyalty. As a result, many of these companies started using social responsibility indicators as management metrics to measure their own performance (Eldomiaty, Soliman, Fikri & Anis, 2016). In their work, Nourhan A. et al. (Nourhan, Colicchia, Amar & Nishikant, 2018) demonstrated how the Egyptian tourism industry crisis was overcome

through the introduction of systemic social responsibility of the companies operating in this sector. In this case, there was also a reverse relationship: companies began to use social responsibility as one of the management tools.

The studies by Sharma E. (Sharma, 2019) reveal the mechanisms for using social responsibility as a tool to minimize risks and improve the interaction between the three key contractors: society, business and the state. The author focuses on an important component of business social responsibility, which directly affects the performance of the enterprise - responsibility to consumers - and notes that it includes not only the provision of goods and services that can increase profit, but also the implementation of a positive and constructive approach to the respect for their rights, which contributes to the increased customer loyalty and satisfaction.

At the same time, the scientist's developments lack a systematic approach that would make it possible to determine the place of social responsibility in the enterprise management process.

The achievements of Russian researchers should be highlighted. According to Knyazeva M.G., today there is no perfect model of corporate management of social responsibility and each model has both advantages and disadvantages (Knyazeva, 2018). She has also found that the range of relations within which organization management can exist has not been regulated in the legislation of the Russian Federation.

It should be noted that the researcher considers corporate responsibility exclusively from the perspective of supporting socially unprotected segments of the population, sponsorship and youth programs, and does not adequately address the effect of corporate responsibility on the efficiency of the enterprise activities.

The works by A.Markeeva and Kalinovskaya K.V. (Markeyeva, Kalinovskaya, 2018) are of particular interest. They managed to identify and describe the features of the implementation of corporate responsibility in the post-Soviet space enterprises. Based on the analysis, it was concluded that a significant transformation of the content of various corporate management mechanisms, their low efficiency, as well as a slight impact on the performance of enterprises are the result of the immaturity of the institutional structure and, accordingly, the roles of key corporate management entities in the country. Egyptian researchers (Darrag & Crowther, 2017) came to similar conclusions. Based on a questionnaire and a survey of managers of 25 large Egyptian companies, they emphasized that the main

obstacle to implementing corporate responsibility programs is the lack of a clearly defined direction in the corporate strategy.

It seems that these research results can be logically complemented by clarifying the mechanisms and ways of the influence of the state, social and commercial institutions on the implementation of internal corporate responsibility of the enterprises in modern business conditions. This would expand and specify the conclusions made.

Active research on the implementation of the CR principles in Russia is carried out by the PwC Center of Corporate Social Responsibility of the Graduate School of Management at SPbSU and The Heinrich Böll Foundation in Russia.

CSR Central Asia Corporate Development Agency, Kazakhstan Association of Oil-Gas and Energy Sector Organizations "kazenergy", and kpmg are involved in these issues in Kazakhstan.

However, these organizations do not pay enough attention to the issue of the appropriateness of incorporating social corporate responsibility in a business development strategy.

According to the UN Global Compact, the GRI standards have been developed in order to assess the effectiveness of corporate responsibility. Scientists and practitioners to evaluate both the systemic activities of enterprises and their individual projects adapt these recommendations. Drago, D., Carnevale C., and Gallo R. (Drago, Carnevale, Gallo, 2019) offer various methods for assessing CR effectiveness. The works by Poussing N. (Poussing, 2019) and Hou T. Chieh - Tse (Hou, 2019) are devoted to the identification of stakeholder groups and their importance for the implementation of the CR principles in the enterprise. ElDin & Abdallah (2016) devoted their study to a detailed analysis of the interaction between all interested parties in the development and application of corporate social responsibility standards based on the Egyptian experience.

While positively evaluating the recommendations and achievements of these authors, it should be noted that they require further expansion in terms of formalizing the mechanisms for assessing the effectiveness of the CR impact on the income of enterprises and the long-term use of its advantages.

The review of the accumulated scientific heritage and practical recommendations demonstrates that the programs implemented by enterprises as part of the implementation of the CR principles do not have

a direct focus on profit; however, their competent implementation allows generating additional benefits for the business. At the same time, there is not enough research conducted in Kazakhstan and Russia; therefore, the studies should be expanded and further elaborated.

Setting objectives. The data mentioned above indicate the need to intensify the scientific search for the opportunities for Egyptian, Russian and Kazakh enterprises to increase their CR level at the present stage of economic development. Tardy response to this problem can lead to an increase in social risks for enterprises, further distortion of entrepreneurial values and the accumulation of conflict potential.

Thus, the purpose of the research is to study and deepen the - theoretical provisions describing the relationship between corporate responsibility and the performance of organizations based on the example of Egypt, Russia and Kazakhstan. This will allow us to develop and substantiate practical recommendations to help the enterprises select their further development priorities corresponding to the real economic situation in each country and providing them with additional income, as well as long-term advantages as a result of introducing the principles of socially responsible corporate management.

Research objectives: 1) to study foreign experience of introducing corporate responsibility practices; 2) to determine the forms of their influence on the activities of business entities; 3) to study the features of the implementation of the corporate responsibility principles based on the example of the Egyptian, Russian and Kazakhstan enterprises and to analyze the results obtained; 4) to propose practical recommendations for the development of corporate responsibility in Egypt, Russia and Kazakhstan from the perspective of coordinated actions of the public and private sectors.

Methods and materials. A set of scientific methods of cognition was used in the study, namely: elementary methods, axiomatic methods, observation, comparison, analysis and synthesis, modeling. The objects of empirical research included 5 Russian enterprises: (X5 Retail Group (retail business), PJSC Sberbank (banking products and services), Russian Standard (beverage industry), Cherkizovsky Meat Processing Plant (food industry), Euroset LLC (communication services) and 4 companies from Kazakhstan: (KARLSTORZ (sales of medical equipment), KEGOC (production and distribution of electricity), Raimbek Bottlers (juice production), Daily

Express (postal and courier services). These companies operate in different economy sectors. We also analyzed 8 large Egyptian companies that 1) have already been the subject of research related to corporate social responsibility in business; 2) for at least the last five years, have been constantly creating corporate responsibility action plans and actively presenting the results of their activities in public. The latter allows a more objective assessment of the actions of companies.

Results. Over the last few decades, foreign companies have shown a marked increase in economic and social indicators because of the introduction of CR elements in their activities. When analyzing secondary marketing information on the performance of American companies operating in various industries, scientists found a strong positive correlation between sales, return on assets, stock and capital value, business reputation, and social responsibility of companies (Shame, Paul, 2019).

Thus, Walker Information studies revealed a direct correlation between the company values (the total effect of its positive impact on society), reputation and customer loyalty to the brand. It was established that the introduction of corporate social values by one point leads to an increase in reputation by 0.55 points, and the use of economic advantage increases reputation by only 0.32 points. The facts mentioned above allow us to conclude that social projects affect company reputation twice as much as economic methods. The total profit of the corporations with high financial and social indicators has increased by 45% over the past 17 years; the organizations that were focused on the financial component and did not include the concept of social responsibility in their priorities increased their profits by 19%. The return on sales, the return on equity and the return on assets of socially active companies are greater by 3%, 10% and 4% respectively compared to those of socially neutral ones (Jeffrey, Rosenberg, McCabe, Brianna, 2019).

Thus, it can be argued that the impact of corporate responsibility on the performance of organizations and enterprises is manifested through the creation of additional value, both tangible and intangible. Let us detail these measurements:

- labor market: the company creates attractive jobs, pays a “white” salary, actively participates in the development of human capital;

- public sector: a conscientious taxpayer;
- interaction with partners and competitors: conscientious fulfillment of the obligations taken, compliance with the competition law;
- production: production of quality goods and services; the use of the international quality management system;
- financial sector: timely payment of the interest on loans and corporate bonds;
- Environmental standards: implementation of international standards and an environmental management system.

It is necessary to focus on the fact that in Russia and Kazakhstan, corporate responsibility has not yet been fully integrated with the enterprise management system, as there is only a small number of organizations in the country fully implementing the strategy and principles of socially responsible management. Most enterprises do not have separate units that should deal with the issues of social responsibility; no mechanism has been introduced to monitor the implementation of social projects and social responsibility of enterprises is most often reduced to charity (Korolev, Zakharova). However, there are also positive achievements. Let us discuss them in more detail.

Thus, in international practice, the impact of corporate responsibility on enterprise performance is usually assessed based on the business opportunity matrix proposed by Sustainability International (Krasnov, 2018). To conduct the analysis, let us consider the activities of several Russian enterprises operating in various industries and sectors of the economy. The results of the study are presented in Table. 1.

Table 1 - The impact of corporate responsibility on the performance of some business entities in Russia

Company	Social CR principles	Goals achieved
X5 Retail Group	Responsible employer, environmental responsibility, food safety, support for local communities, legitimacy and transparency of work.	Increased brand value; saving resources for establishing relationships with government agencies; decrease in staff turnover.

PISC Sberbank	Well-being and development of employees; protection of their health and safety; quality of goods and services; development of local communities; environmental protection; the use of energy-saving technologies; corporate volunteering; business ethics.	Increased staff confidence in job security and greater loyalty to the bank; saving resources to attract and keep qualified specialists; strengthened reputation and image; improved business efficiency; effective social dialogue with local communities.
Russian Standard	Environmental protection; promotion of responsible and moderate consumption; creation of an internal code of conduct with suppliers, which includes a number of mandatory requirements for the company partners.	Improved financial performance; better reputation management; higher labor productivity and income; saving costs by using environmentally friendly and energy-efficient equipment.
Cherkizovsky Meat Processing Plant	Responsibility to society for environmental impact; responsibility to employees for creating optimal working conditions; responsibility to consumers for product quality; responsibility to partners for the honest and open partnership.	Standardization in accordance with international standards (ISO, etc.); increased labor productivity; higher social security; improved corporate culture; attracting employees to the ideology and mission of the company; staff loyalty; long-term increase in the effectiveness and sustainability of - economic activity; environmentally - balanced production.
Euroset LLC	The best service and the best product quality; honest and transparent relations with partners; honest and transparent labor relations; contribution to the professional development of employees (trainings, seminars, training in the workplace); non-discrimination employment policy;	Transparency of operations and reliable reporting; continuous improvement of corporate management standards and practices; the availability and application of the corporate behavior code; socially desirable remuneration; the use of motivational remuneration schemes; the use of energy- and resource-saving technologies; compliance with advanced labor standards.

The results presented in Table 1 demonstrate that the introduction of the corporate responsibility principles in the activities of Russian enterprises and organizations has a positive effect on their performance indicators and allows increasing the efficiency of business management by preventing social, economic, environmental and legal risks. However, unfortunately, some organizations in the Russian Federation only formally declare the use of the corporate responsibility principles and do not fulfill their obligations to customers, partners and staff (Bezuglova, 2018).

Table three shows similar data for a number of large Egyptian companies that have been actively implementing corporate responsibility standards for more than five years; these companies have

already participated in the studies that have demonstrated the positive effect of such an approach on objective indicators (AlKerdawy, 2019; Shehata, 2016).

Table three the impact of corporate responsibility on the performance of a number of large Egyptian companies that have already dealt with CR

Company	Social CR principles	Goals achieved
Telecom Egypt	Well-being and development of employees, environmental responsibility, food safety, support for local communities, legitimacy and transparency of work.	Decrease in staff turnover; better company performance; higher financial indicators of the company; increased regional sales; easier interaction with government agencies.
Egyptian company for mobile service	Well-being and development of employees; quality of goods and services; development of local communities; environmental protection, the use of energy-saving technologies; business ethics.	Saving costs by reducing energy consumption; increased confidence and loyalty of employees; the influx of new specialists; improved discipline in the workplace; greater demand for company services in the regions; easier interaction with government agencies.
Egyptian Financial Group- Hermes holding	Environmental protection; promotion of financial knowledge and financial responsibility; creation of an internal code of conduct with customers; ethical control in contacts with users.	Greater demand for company services; expanded brand awareness; improved internal working environment; increased customer loyalty; increase in the number of regular users and partners.
Raya Holding For Technology Communication	Environmental responsibility; responsibility to employees for creating optimal working conditions; responsibility to consumers for product quality; responsibility to partners for the honest and open partnership.	Expanded brand awareness; reduction in internal organization costs; stabilization of relations with partners; increased regional sales; improved relations with international partners, in particular, foreign banks and investors.
Six of October Development & Investment (SODIC)	The best service and the best quality of work; honest and transparent relations with partners; honest and transparent labor relations; contribution to the professional development of employees (trainings and seminars).	Better company performance; increased regional sales; easier interaction with government agencies; decrease in staff turnover; expanded brand awareness and increase in customers.
Egyptian Kuwaiti Holding	Financial literacy; ethical control over the activities of employees; support for local communities.	Expanded brand awareness; better business performance; improved internal climate in the company.

Company	Social CR principles	Goals achieved
Osasco Construction Industries (OCIO)	Transparent relationships with partners and customers; development of business ethics; environmental responsibility; well-being and development of employees.	Improved relationships with partners and customers; better financial performance of the company; decrease in staff turnover; easier interaction with government agencies.
Commercial International Bank (CIB)	Promotion of financial literacy; support for local communities; higher professionalism of employees; business ethics.	Expanded brand awareness; better sales and recognition in the regions; improved relations with institutional local and foreign investors; increased confidence and loyalty of the employees.

Social corporate responsibility in the business environment of Kazakhstan has its own socio-economic characteristics; as a result, most enterprises tend not to advertise their socially responsible practices or consider the disclosure of their company information to be optional. This contradicts global approaches, as the transparency of information about CR is one of the important principles of its implementation. At the same time, it should be noted that the financial difficulties of companies and the lack of national legislation regulating corporate responsibility in Kazakhstan are the most significant obstacles to the development of social responsibility of a business.

Let us discuss in more detail the CR expenses of business entities in Kazakhstan. For example, let us consider four Kazakh companies that were the first to join the UN global Compact (table 2). They are karlstorz, kegoc, rumbek bottlers, and daily express.

Table two the ratio of the CR expenses and the revenues from the sales of goods and services of Kazakh companies

Indicator	2015	2016	2017	2018	9 month 2019	2019 to 2015
CR expenses, millions of tenges	629915	764995.4	885767.2	903432.4	895030.2	1.42
Sales revenue (goods and services), millions of tenges	6732456.4	7982478.8	8406339.2	8341320	8100430	1.20
The share of CR expenses in the sales revenue, %	9.36	9.58	10.54	10.83	11.05	-

According to Table 2, the share of CR expenses in the total sales revenue (goods and services) of the Kazakh companies under consideration is characterized by a slight upward trend: over the past five years, this

indicator has increased by only 0.4 percentage points. These insignificant growth rates are due to the fact that over the period being studied, the CR expenses grew more rapidly than the company production volume. Taking into account the fact that the development of the public relations concept in the country is only at its initial stage, the outperforming growth rates of relevant business costs compared to the rate of change in the volumes of sales of goods and services are a positive characteristic of the changing attitude of business owners and a gradual adoption of CR as an important component of enterprise management in Kazakhstan. At the same time, a range of corporate responsibility development indicators having negative dynamics in the country can be listed (for example, the number of collective labor contracts, payment for ecosystem services, charitable contributions).

It should be noted that the reason for the limited introduction of corporate responsibility in the activities of most enterprises, both in Russia and in Kazakhstan, is the unresolved dilemma about the feasibility of implementing social projects, which is still being ambiguously perceived by the management. The activities associated with CR are often considered as surplus material, financial and human resources that do not bring obvious results, but only negatively affect financial performance, and, among other things, boost prices for goods and reduce the competitiveness of the business (Burykin , 2018).

In this context, it is necessary to determine a quantitative indicator of the impact of corporate responsibility on the operation of enterprises. In accordance with the production approach, the main quantitative indicator of the effective activity of any enterprise is its profit (Danshina, 2018). Thus, taking into account the concept of corporate responsibility, it should be noted that the production approach is the most acceptable at the stage of evaluating the effectiveness of its implementation; it does not contradict the stakeholder approach and the principles of socially responsible business and allows determining the possibilities of expanding the range of social initiatives of the enterprise.

Thus, the target model function can be described as the pre-tax profit of the enterprise, which makes it possible to take into account not only the interests of business owners (in the case of using the net profit indicator), but also of other interested parties, in particular, staff (timely and appropriate level of remuneration), state authorities (the amount of tax revenues to the budget), etc.

$$E = f(\beta; X_i) + y_i - a_i$$

Where E is the pre-tax profit of the enterprise;

β Is performance indicators?

X_i is the factors directly influencing company activities;

y_i is margin of error;

a_i is the inefficiency indicator, which demonstrates the effect of indirect determinants on the activities of the enterprise.

Discussion. Today, enterprises and organizations in Russia and Kazakhstan are usually forced to apply corporate responsibility principles or it is carried out for the sake of social corporate benefit (Bisultanov, 2018). Egyptian companies use these principles on their own initiative evaluating the effectiveness of their implementation (Genedy, & Sakr, 2017). It should be noted that in modern competitive conditions, the concept of corporate responsibility provides enterprises with significant financial and non-financial advantages.

Thus, according to the experts from the Institute of Sociology of the Russian Academy of Sciences (Onishchenko, 2018), the prospects for the corporate responsibility implementation revealed high expectations of the respondents regarding its positive impact on the enterprise performance and the emergence of potential effects (Table 4).

Table 4 Evaluation of the CR impact on the performance of enterprises

Business performance indicators	Positive impact, % of the respondents
1. Reputation growth	92.4
2. Brand awareness	87.1
3. Interaction with government authorities	84.8
4. Improved production quality	84.6
5. Higher competitiveness	83.7
6. Intensification of innovation	83.2
7. Formation of an effective media space	81.9
8. Customer loyalty	81.1
9. Labor productivity growth	80.3
10. Increase in sales	80.0
11. Enhancing access to financial markets	79.3
12. Higher profitability	78.4
13. Capturing new markets	73.5
14. Improved competitive position	69.6

According to Table 3, the biggest influence of social corporate responsibility on the performance and potential effects of the activities of Russian enterprises is expected in the following indicators: reputation growth, increased brand awareness, improved interaction with government agencies, improved production quality, higher competitiveness and intensification of innovations.

The results obtained in Russia are also consistent with the results of

the survey conducted by ELIM Institute of Marketing and Sociological Research in Kazakhstan. The study showed that the majority of survey participants (73%) noted that they are implementing a set of measures to protect employee rights. The concept of corporate responsibility of Kazakh companies can also be implemented to solve environmental issues in the region (42%), introduce organizational management (43%), take measures to protect consumer rights (44%), as well as introduce fair business practices (38, 4%). It is important that 83% of the surveyed business owners and executives said that corporate responsibility is of strategic importance for the development of their companies.

At the same time, it should be noted that there are significant differences and a certain specificity in the goals, tasks, and tools of the CR implementation at the national level that are based on the indisputable relationship between corporate responsibility and the performance indicators of enterprises. Let us consider these differences in more detail through the example of the American, European and post-Soviet models.

Thus, the key impact of social initiatives and projects on the results of businesses in the United States is that companies do not connect corporate responsibility to their business goals (Waheed, Yang, 2019). They prefer to share a part of the profit by directing it to socially useful initiatives. This contributes to increased stability and reliability of companies, the growth of their "humanity"; this means that corporate responsibility is focused on external achievements.

A slightly different relationship can be traced in the activities of European companies, The key objective of corporate responsibility of European businesses is to achieve business goals, Thus, all measures, tools and approaches within the framework of such a model are directly aimed at generating profit (Bilbao-Teroletal., 2019), The most popular CR objects within the framework of this model are: contribution to the development of municipalities where the production capacities of companies are located; support for the development of science and technology; staff incentives; environmental activities; charitable contributions with the participation of company employees; programs to bring the company activities in line with the international industry standards (Chen, Liu & Liu, 2019). These circumstances suggest that the European model is dominated by the internal relationship between corporate responsibility and company performance, which is manifested through the focus on increasing profitability and developing relations with company employees and stakeholders.

At the same time, it should be noted that the corporate

responsibility of enterprises in Egypt, Russia and Kazakhstan primarily involves complete payment of taxes, compliance with labor legislation and environmental protection laws, job creation, participation in charity events. All these measures are aimed at the external environment of the business entity. The initiatives that are focused on the internal environment include: increasing productivity, improving competitiveness, optimizing costs, implementing a strategy for further development, improving the image, increasing goods turnover and the number of consumers. In other words, the influence of corporate responsibility on the operation of organizations in Russia and Kazakhstan is dualistic; it provides a synergistic combination of external and internal effects. In Egypt, by contrast, large companies pay great attention to building long-term social strategies aimed at the internal (company employees and recruiting) (AlKerdawy, 2019) and external environment (customer loyalty) (El-Bassiouny & Letmathe, 2018).

Thus, considering the above mentioned information, it is obvious that the recommendations regarding the prospects for using corporate responsibility tools and principles in the activities of Egyptian, Russian and Kazakh enterprises should be developed taking into account the national specifics and characteristics of their activities. Foreign experience that has not been properly adapted will not produce the desired effect and can even worsen the situation. In addition, the emphasis should be made on the fact that in national realities, the uncertainty of the responsibility content and boundaries is one of the main obstacles to introducing corporate responsibility principles into enterprise activities due to the unique nature of the conditions and prerequisites necessary for its implementation.

In this regard, we believe that a set of measures for the development of corporate responsibility in the activities of Egyptian, Russian and Kazakhstan enterprises should be carried out by economic entities and directly by state institutions; however only Egyptian scientists describe effective experience of such an interaction (Shehata, 2016) .

Today business entities should focus on:

1. A socially responsible choice of key development strategies. This is the practice of including or excluding certain actions, activities and projects of corporate responsibility taking into account the selected economic, social or environmental criteria.
2. Balancing the interests of key stakeholders.
3. Making investments that create benefits for the enterprise by meeting the financial needs of local communities.

4. Investing in social projects.

In turn, the state should also actively support enterprise programs and projects that are implemented as part of the social corporate responsibility introduction, as well as promote an open dialogue on the development of incentives for businesses which seek to implement socially oriented principles in their activities. These measures include:

- 1) Ensuring favorable institutional and legal conditions for the operation of enterprises involved in solving social problems;
- 2) The provision of targeted subsidies or subventions to support non-state actors of social policy using budget funds;
- 3) The creation of an open information environment in social entrepreneurship;
- 4) The introduction of tax benefits for the enterprises engaged in charity and sponsorship activities;
- 4) The application of sanctions to the business entities whose actions contradict the social interests of the territorial community;
- 5) Conducting consultations and familiarization campaigns, etc.

Conclusions. Currently, social corporate responsibility is an important component of effective business management, which should be implemented in the development of social partnership both at the level of society as a whole and in the context of its individual institutional units. In the course of the study, we analyzed the experience of implementing the principles of corporate responsibility by three countries. We also identified the features of the concept implementation in the practical activities of the organizations located in Egypt, Russia and Kazakhstan. The analysis of specific activities and the results obtained was carried out based on the example of 8 Egyptian companies, 5 Russian companies and 4 Kazakhstan companies that operate in various business segments. Particular attention was paid to the quantitative assessment of the impact of corporate responsibility on the activities of organizations.

Based on the results obtained, we developed the recommendations regarding the prospects for using corporate responsibility tools in the activities of enterprises from the perspective of coordinated actions of the public and private sectors.

The practical relevance of the obtained results is the fact that the recommendations and conclusions made can be applied by both individual enterprises and various government agencies. This will provide economic, environmental and social benefits through

strengthening the corporate responsibility of business entities.

The prospects for further research are associated with the development of a consistent algorithm for evaluating the effectiveness of CR measures, its methodological support, as well as the development of practical tools for finding information sources and calculating a system of indicators.

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