

Remodeling Corporate Social Responsibility: Development & Reporting of Theory, Scale and Index of Corporate Life Sustainability

The dominant approach developed in academy and industry has largely focused on the development of internationally recognized perspectives, frameworks and instruments. And there are different methods (scales, indices, databases and content analysis) to measure several corporate social responsibility (CSR) perspectives (including unidimensional concept, stakeholder theory, triple bottom line, Carroll's CSR pyramid, and corporate sustainability) but all of them have some limitations. An instrument measuring different dimensions and factors of CSR that incorporates almost all major perspectives through theoretically and industrially viable method is still missing. Therefore, the study explores and measures the broader, applicable and viable perspective of corporate (life) sustainability through scale based index by providing theoretical base to industry practice. 300 senior managers and directors of 90 companies from Petroleum, Telecom, Banking, Media and Fertilizers & Chemicals industries are surveyed. CLS index is developed through identification of three major dimensions which include business sustainability, environment sustainability and humane sustainability. Constituents of business sustainability include marketing practices, business code of conduct, corruption & bribery, sustainable business performance and corporate governance. Environmental sustainability comprises of eco-efficiency, environmental priorities, health & safety and environmental reporting. Whereas, community welfare, employee rights, work-life balance, human capital development, discrimination & grievance are constructs of humane sustainability. Exploratory factor analysis is applied and 53 items are extracted in scale development process. Furthermore, principal component analysis is also applied for assigning weights to 14 factors in index development. This scale based index is used to rank companies and track their multi-facet performance in various industries. It also provides relief to industry from academic criticism on one side and provides alternative to being measured on several indices for different aspects of CSR on the other. This study serves as paradigm shift in consolidating CSR contemporary theories, perspectives and measurements with its global viability and ubiquitous applicability through establishing theory, scale and index of corporate life sustainability.

Key words: Corporate Social Responsibility, Corporate Life Sustainability, Corporate Sustainability, Business Sustainability, Environment Sustainability, Humane Sustainability, Theory Development, Scale Development, Index Development