

## **EFFECTS OF CULTURAL ORIENTATION ON PERCEPTIONS OF CSR**

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### **ABSTRACT**

This paper explores perceptions of Corporate Social Responsibility (CSR) among individuals from different cultural groups. Studies have shown that CSR is a universal ethical and moral imperative. Similarly, studies have demonstrated that CSR has sustainable economic benefits to individuals, corporations, and societies. While there is a clear business case for CSR, few studies have looked at how individuals perceive CSR at personal and organizational levels. In order for corporate entities to effectively execute CSR initiatives, actors within and outside the organization need to understand why such initiatives are being deployed and how CSR aligns with their varied interests. Stakeholders are in better position to buy in, invest and take ownership of CSR policies if they understand and have positive perceptions about such policies. The study also examines whether there are culture-bound differences in perceptions of individual and organizational CSR values and practices. Despite CSR being an organizational issue, its foundations are based on the individual. Individual mental models, schemas, perceptions and attitude are influenced, in part, by specific cultural orientations. Different cultural orientations are bound to influence individual and collective values, which in turn have an effect on how CSR practices are perceived and enacted in organizations.

Cultural orientations are borrowed from two main research streams, cross-cultural research by Hofstede, Trompenaars and GLOBE studies. Previous findings from cross-cultural

literature have identified several cultural dimensions that correlate with CSR practices. These dimensions include individualism, masculinity, power-distance, uncertainty avoidance, long-term orientation and collectivism. Different nationalities have identifiable cultural dimensions that when broken down, reveal raw values and beliefs that resonate with CSR practices.

This study contributes to a more informed understanding of the micro-foundations of CSR. Specifically, we are able to understand the interactions of different cultural orientations, through identifiable cultural dimensions and CSR. Secondly, understanding individual-level values helps us better understand their relationships with organizational-level CSR variables. Finally, a better understanding of the effects of cultural orientation on CSR provides a basis for developing more effective CSR initiatives among different cultural contexts.

The study is expected illuminate our understanding of CSR perceptions among different cultural categories and whether these perceptions translate into specific attitudes towards CSR in organizations. A better understanding of CSR among different cultural groups is essential for multinational companies in designing CSR initiatives and implementation strategies among different cultural groups.