

Strategic Evolution of CSR: A Systematic Literature Review on Implementation, Impact, and Research Gaps

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ABSTRACT

This study presents a Systematic Literature Review (SLR) of recent research on Corporate Social Responsibility (CSR), focusing on its implementation across sectors, its strategic impact on organizational performance, and the identification of research gaps. Through a comprehensive review of 10 peer-reviewed articles published between 2018 and 2021, this study reveals that CSR has evolved beyond its philanthropic roots into a strategic instrument influencing customer loyalty, risk perception, corporate reputation, and financial outcomes. Key gaps identified include the lack of micro-level analysis, under-researched contexts in developing countries and SMEs, the symbolic versus substantive implementation of CSR, and the role of consumer skepticism and reputation as moderating variables. The study recommends future research to develop sector-specific frameworks, integrate digital tools such as big data, and enhance the empirical validation of CSR's causal impact on firm performance. Overall, CSR is recognized not just as "doing good" but as a contextualized, strategic, and authentic driver of sustainable corporate value.

INTRODUCTION

Corporate Social Responsibility (CSR) has become a major focus in business and management literature over the past two decades. CSR is not only seen as a form of social and environmental contribution from companies, but also as a strategy that impacts customer loyalty, reputation, and financial performance. In their study, Bhattacharya et al. (2020) expanded the understanding of CSR by emphasizing its function in mitigating consumer perceived risk, especially in situations of uncertainty such as economic recession. This study highlights a gap in the previous literature that focuses too much on the emotional "warm glow" effect without considering the psychological dynamics of customer risk perception.

Meanwhile, D'Acunto et al. (2019) explored how consumers express their concern for CSR through online reviews in the hospitality industry. Their

findings show that despite increasing attention to social and environmental issues, the proportion of consumers who explicitly mention CSR in their reviews is still low. This suggests an important gap in public understanding and recognition of CSR practices in the digital and e-WOM context. On the other hand, Ikram et al. (2020) through a longitudinal study of SMEs in Pakistan emphasized that there is a lack of quantitative research examining the effects of CSR on the performance of small firms in developing countries. This gap suggests the need to expand the geographic and organizational context of CSR research.

Fifka and Jaeger (2018) also added that specific industries such as European professional soccer require different CSR approaches. They developed a strategic framework tailored to the unique values and expectations of the sport, but also emphasized the limited number of integrative CSR models applicable to the sector. In the context of hospitality, Guzzo et al. (2019) conducted a systematic review of CSR studies over the past decade and found that most studies still focus on the organizational level (meso), while micro studies on the impact of CSR on the behavior and perceptions of individuals - such as employees and customers - are rarely explored in depth.

Complementing these findings, Ham and Kim (2019) offer a new perspective on the use of CSR communications in crisis situations. They highlight that consumer skepticism toward CSR both dispositional and situational-plays an important role in shaping the effectiveness of CSR strategies in response to crises. The gap here is the lack of psychological understanding of how consumers assess a company's CSR motives in the context of a reputational crisis. A similar point was highlighted by Singh and Misra (2021), who examined the role of CSR in improving organizational performance by introducing reputation as a moderating variable. However, the study also underlines the lack of research that explicitly analyzes the role of reputation in strengthening the relationship between CSR and organizational performance, especially among European multinational companies.

In terms of internal policies, Ikram, Li and Minor (2019) identified a new trend of management compensation being linked to CSR achievements. This finding opens up a new question: do objective and subjective CSR-based compensation systems really drive corporate social performance? This gap highlights the lack of comparative studies on the effectiveness of CSR incentive schemes in the context of corporate governance. In contrast, Ting (2020) presents a critical perspective on the behavioral differences between large and small firms in implementing CSR. He suggests that large companies tend to be more symbolic ("talk the CSR") while small companies are more substantive in their CSR implementation. An important gap that emerges is that the distinction between symbolic and substantive CSR has not been optimized in the measurement of corporate CSR performance.

Singh and Misra (2021) reinforce the importance of context in CSR through another study that highlights the role of external CSR on organizational performance in developing countries. They highlighted the lack of consensus in the literature on how CSR disclosure directly impacts firm performance. Strong

empirical validation is still needed to clarify this causal relationship, especially in non-Western business ecosystems.

Overall, this literature review confirms that while CSR has been recognized as an important element of modern business strategy, there are still various research gaps that need to be bridged. These gaps include the lack of micro-level studies, the lack of sector-specific frameworks, the unexplored role of skepticism and reputation, and the need for further evaluation of CSR compensation strategies and symbolism. This systematic review aims to integrate these findings and provide future research directions that are more holistic and applicable to the development of CSR as a strategic pillar of the firm.

THEORETICAL REVIEW

Stakeholder Theory

Introduced by Freeman (1984), Stakeholder Theory argues that a company's responsibilities should not be limited to generating profits for shareholders alone, but must also include a broader group of stakeholders such as customers, employees, suppliers, communities, investors, governments, and even the natural environment. This theory is based on the belief that the long-term sustainability and legitimacy of an organization depend on its ability to foster ethical and mutually beneficial relationships with these diverse groups. In this light, Corporate Social Responsibility (CSR) is not merely an ethical or philanthropic gesture, but a foundational component of strategic management.

From this perspective, CSR functions as a mechanism for aligning corporate values and operations with stakeholder expectations. By embedding CSR into the core business strategy, organizations can build stakeholder trust, strengthen social capital, and enhance their corporate reputation. These strategic benefits contribute to long-term value creation and risk management. Empirical findings from the Systematic Literature Review (SLR) reinforce this view, showing that CSR initiatives — especially when tailored to stakeholder needs — yield positive outcomes such as customer loyalty, employee satisfaction, community goodwill, and investor trust. For example, sustainable environmental practices attract eco-conscious consumers, while ethical labor policies improve employee morale and retention.

Legitimacy Theory

Legitimacy Theory posits that organizations continuously seek to establish, maintain, and restore legitimacy in the eyes of society by aligning their actions with prevailing social norms, values, and expectations. Within this theoretical framework, legitimacy is understood as a generalized perception that an organization's operations are appropriate or desirable within the socially constructed system of beliefs (Suchman, 1995). This legitimacy is a crucial intangible asset, influencing a company's ability to operate, grow, and sustain itself. In an increasingly transparent and socially aware world, legitimacy becomes not just a passive outcome but an active pursuit by organizations in their strategic planning and stakeholder communication.

In this context, Corporate Social Responsibility (CSR) functions as a strategic mechanism for legitimizing corporate behavior. Through CSR initiatives—ranging from sustainability reporting to ethical sourcing and community outreach—organizations demonstrate their alignment with societal expectations around ethics, environmental protection, and human rights. These actions serve as symbolic indicators of corporate accountability and are often used to build public trust and avoid stakeholder resistance. Particularly in industries facing strong public scrutiny, CSR serves as a bridge between internal corporate interests and external public perception. However, a key aspect of this theory is its emphasis on perception over reality: being responsible is not enough; companies must be seen as responsible through clear and credible communication.

This dynamic becomes especially critical in times of crisis, where public trust is fragile and reputational risk is high. Ham and Kim (2019) emphasize that the effectiveness of CSR communication during crises is deeply influenced by the level of consumer skepticism, both dispositional (general distrust) and situational (crisis-specific doubt). If CSR messaging is perceived as insincere or opportunistic, it may damage rather than enhance corporate reputation. Conversely, CSR efforts that appear authentic and consistent with a company's long-term values can help rebuild public trust and reinforce legitimacy. Furthermore, Legitimacy Theory explains why many firms engage in preemptive CSR—even in the absence of immediate external pressures—as a way to build a reservoir of goodwill or a “legitimacy buffer” that can protect the firm during future turbulence. This reinforces the strategic nature of CSR as not only a reputational safeguard but also a forward-looking asset in legitimacy management.

Resource-Based View (RBV)

The Resource-Based View (RBV) of the firm emphasizes that sustainable competitive advantage is derived from internal resources that are valuable, rare, inimitable, and non-substitutable (VRIN). Originally introduced by Wernerfelt (1984) and expanded by Barney (1991), RBV highlights the importance of both tangible and intangible assets in achieving long-term success. Within this framework, Corporate Social Responsibility (CSR) is seen as a strategic intangible resource that can enhance a firm's market position. CSR activities—such as ethical labor practices, community engagement, or environmental sustainability—contribute to building a strong organizational reputation, stakeholder trust, and employee commitment, all of which are difficult for competitors to replicate.

CSR is especially powerful in enhancing intangible assets such as reputation and internal culture. A company perceived as socially responsible earns public goodwill and strengthens stakeholder relationships, including with customers, employees, and investors. These relationships function as relational capital, which not only improves a firm's operational stability but also increases its attractiveness in competitive markets. Additionally, CSR can improve internal capabilities by promoting employee engagement, reducing turnover, and creating a values-driven organizational culture that supports innovation and collaboration—all of which contribute to sustained performance.

Supporting this perspective, Singh and Misra (2021) demonstrated that companies with stronger reputations tend to gain greater benefits from CSR efforts. In their study, corporate reputation acted as a moderating variable, amplifying the positive impact of CSR on overall organizational performance. This highlights that CSR, when authentically implemented and aligned with the firm's values, is more than a symbolic gesture — it is a strategic investment in long-term value creation. Therefore, RBV provides a solid theoretical foundation for understanding how CSR can be leveraged as a unique, inimitable resource that contributes directly to competitive advantage.

Symbolic vs. Substantive CSR Perspective

This perspective, as proposed by Ting (2020), introduces an important distinction between symbolic CSR and substantive CSR. Symbolic CSR refers to activities that are primarily focused on appearances — such as publishing sustainability reports, sponsoring public events, or engaging in marketing campaigns that promote social responsibility. These efforts are often implemented by large corporations seeking to enhance their image or fulfill regulatory or stakeholder expectations, without necessarily embedding CSR into their core operational practices. Symbolic CSR can sometimes serve as a buffer against public criticism, but it may lack tangible social or environmental impact if not backed by authentic organizational commitment.

In contrast, substantive CSR involves genuine, deeply integrated actions aimed at creating meaningful change, often seen in small and medium enterprises (SMEs). These companies, though lacking the resources for large-scale public relations campaigns, tend to implement CSR in ways that reflect their actual values and community relationships. For instance, SMEs may prioritize ethical sourcing, treat employees fairly, or engage directly with local community initiatives — not for image, but because these practices are aligned with their business identity and values. Substantive CSR is often less visible but arguably more impactful in terms of real-world outcomes and long-term stakeholder trust.

The distinction between symbolic and substantive CSR underscores the importance of developing more nuanced frameworks and evaluation tools to assess CSR practices across different types of organizations. Over-reliance on CSR disclosures or self-reported achievements can obscure the true effectiveness of corporate responsibility initiatives. Therefore, future research should aim to measure the depth, authenticity, and consistency of CSR implementation, rather than merely its visibility. Recognizing the gap between what companies say and what they actually do is crucial to ensuring that CSR remains a credible and transformative force in business, rather than a marketing-driven exercise in reputation management.

Institutional Theory

Institutional Theory posits that organizations do not operate in isolation but are embedded within broader social, cultural, and regulatory environments that exert normative, coercive, and mimetic pressures. These external forces influence organizational behavior by shaping what is considered legitimate, acceptable, or expected in a given institutional context. As a result, companies often adopt certain practices — including Corporate Social Responsibility (CSR)

– not only for internal strategic reasons but also to conform to institutional expectations and maintain legitimacy in the eyes of stakeholders, regulators, and the public.

Within this framework, CSR is viewed as a response to institutional pressures, such as government regulations, industry best practices, investor demands, and shifting societal values. For example, companies may adopt environmental standards to comply with regulations or engage in social initiatives to align with public sentiment and media scrutiny. This dynamic is especially evident in industries with high visibility or complex stakeholder relationships, where legitimacy is both a strategic asset and a survival necessity. Failure to meet institutional expectations may result in reputational damage, regulatory penalties, or loss of stakeholder support.

Sector-specific CSR approaches illustrate how institutional contexts vary significantly across industries. Fifka and Jaeger (2018), for instance, emphasize the need for tailored CSR frameworks in professional European football, where clubs must navigate distinct stakeholder demands, including fans, sponsors, governing bodies, and local communities. Their study highlights how CSR in this sector is shaped not only by general ethical considerations but also by cultural identity, community values, and public scrutiny. This example underscores that CSR implementation is not one-size-fits-all; rather, it reflects how firms adapt to the institutional logics of their respective industries to maintain social legitimacy and competitive relevance.

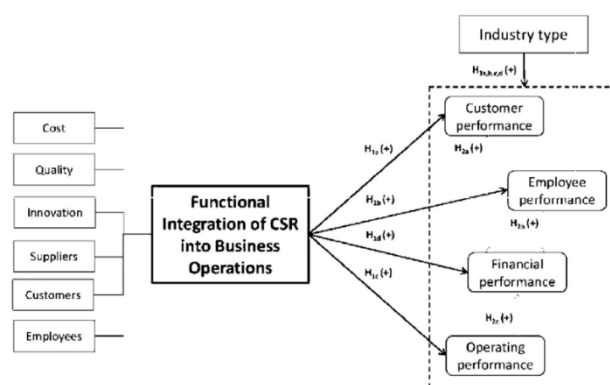


Figure 1. Conceptual Framework

METHODOLOGY

This research utilizes a Systematic Literature Review (SLR) approach to deeply examine trends, contributions, and research gaps in the literature on Corporate Social Responsibility (CSR). SLR was chosen as the method because it provides a systematic, transparent, and replicable structure for comprehensively screening, analyzing, and synthesizing academic literature. In this context, the review was conducted not only to identify key findings, but also to explore how the CSR theme has evolved across sectors and geographies.

The first step in conducting the SLR was the determination of key research questions that would guide the article search and selection process. The focus question for this review was: "How is CSR implemented in different contexts and

how does it impact stakeholders and organizational performance?" This question is rooted in the need to explore CSR approaches from different levels of analysis (macro, meso, micro), as suggested by Guzzo et al. (2019) and Singh & Misra (2021).

Furthermore, the selection of databases was done by considering academic quality and international reach. The articles analyzed were obtained from reputable databases such as Elsevier, SpringerLink, Emerald Insight, and Sage, which contain peer-reviewed journals in management, business, ethics, and organizational studies. This process ensured that the reviewed articles had methodological quality and empirical contributions that could be academically justified.

The inclusion criteria used in the screening included: (1) journal articles published between 2018 and 2021; (2) focus on CSR and its relationship with stakeholders, organizational performance, reputation, or strategic communication; (3) articles written in English; and (4) available in full-text. Articles that only discussed CSR normatively or philosophically without explicit empirical or conceptual contributions were excluded from the analysis.

The next step was the screening and coding of the articles. A total of 10 articles were purposively selected after an initial evaluation of the abstracts and full content of each article. The included articles reflected a diversity of approaches—both quantitative, qualitative, and systematic literature studies. For example, Bhattacharya et al. (2020) used laboratory experiments to examine the role of CSR in mitigating customer perceived risk, while Ikram et al. (2020) applied structural equation modeling (SEM) to longitudinal data of SMEs in Pakistan.

The articles analyzed were then classified based on the dimensions of context (developing vs. developed countries), industry (hospitality, football, banking), as well as the variables tested (managerial compensation, reputation, skepticism, risk perception). This classification approach is important to identify theoretical gaps as suggested by Ting (2020) who distinguishes between symbolic and substantive CSR, and by Ham & Kim (2019) who raised the dimension of CSR skepticism in crisis communication.

In the secondary data analysis process, we used thematic synthesis and cross-study comparative analysis methods to extract integrative insights. The identification results show that most studies focus on CSR as a driver of organizational performance, either directly (Singh & Misra, 2021) or indirectly through reputation (Fifka & Jaeger, 2018) and stakeholder engagement (Ikram, Li, & Minor, 2019).

This SLR also adopts the principle of source triangulation to ensure that the findings are robust. A triangulative approach was taken by reviewing not only the main results of each article, but also the methodology, study population, and recommendations for further research. A concrete example is the findings of D'Acunto et al. (2019) who used big data from online reviews to measure implicit CSR awareness, pointing to algorithm-based quantitative approaches as an increasingly relevant method in the digital age.

As a final part of the methodology, the researcher validated the entire review process by comparing the synthesized results with the results of previous systematic reviews such as those conducted by Guzzo et al. (2019) and Farrington et al. (2017). This approach strengthens the contribution of this review as a conceptual and methodological foundation for future research agendas. It also provides academic justification for the direction of further exploration of the influence of CSR in organizations across sectors and cultures.

Overall, the SLR methodology employed in this study provides a rigorous yet flexible framework for identifying key trends, setting the agenda for future research, and unpacking the diversity of empirical approaches to CSR in contemporary management literature.

RESULTS

The results of the systematic review of 10 articles show that Corporate Social Responsibility (CSR) generally contributes positively to various aspects of the organization, ranging from customer loyalty, risk mitigation, corporate reputation, to improved financial performance. In some contexts, CSR has even become a key strategy to respond to crises or improve an organization's competitiveness in the global market.

Literature Identification and Selection

The process of literature identification and selection was carried out systematically to ensure that the studies included in this review were methodologically sound, thematically relevant, and aligned with the objectives of the research. This Systematic Literature Review (SLR) was guided by the central research question: "How is Corporate Social Responsibility (CSR) implemented in different contexts and how does it impact stakeholders and organizational performance?" To answer this question, a comprehensive search was conducted across several reputable academic databases, including Elsevier, SpringerLink, Emerald Insight, and Sage, which were selected for their extensive collections of peer-reviewed journals in business, management, organizational studies, and corporate ethics.

Classification of Performance Indicators

The selection of literature followed a clear set of **inclusion and exclusion criteria**:

- **Inclusion Criteria**, articles published between 2018 and 2021, written in English, and published in peer-reviewed academic journals. Additionally, selected articles needed to explicitly address Corporate Social Responsibility (CSR) and its relationship with variables such as stakeholder engagement, organizational performance, corporate reputation, strategic communication, or crisis response. Only full-text articles that were accessible through institutional subscriptions or open-access platforms were considered, and all included studies had to provide empirical or conceptual contributions relevant to the implementation and impact of CSR.
- **Exclusion Criteria**, discussed Corporate Social Responsibility (CSR) solely from a normative or philosophical perspective without empirical grounding. Additionally, materials such as conference proceedings, editorials, book chapters, and non-peer-reviewed working papers were excluded from the

review to maintain academic rigor and ensure the inclusion of only high-quality, peer-reviewed sources.

These articles represent a diversity of **methodological approaches** (quantitative, qualitative, and SLR), **geographical contexts** (developed and developing countries), and **industry sectors** (hospitality, sports, banking, SMEs, etc.).

Multidimensional Factors Affecting Corporate Social Responsibility (CSR)

CSR is influenced by a variety of interconnected factors, both internal and external, that shape how companies design, implement, and communicate their social and environmental responsibilities.

1. Organizational Factors

Leadership commitment, ethical culture, governance, and resource availability determine whether CSR is integrated into core business strategy or treated as symbolic.

2. Institutional and Regulatory Pressures

Legal requirements, industry norms, and external regulations push firms to align with expected social and environmental standards.

3. Stakeholder Expectations

Demands from consumers, employees, investors, and communities drive CSR actions. Responsiveness enhances trust and long-term engagement.

4. Economic Conditions

CSR investment is often shaped by a firm's financial performance. Economic downturns may reduce CSR unless it is linked to core strategy or risk mitigation.

5. Cultural and Geographic Context

Local values and cultural norms influence CSR focus. For example, community welfare may be more emphasized in collectivist cultures.

6. Reputation and Branding

CSR helps build a positive image and manage reputational risks. Authentic efforts are more likely to yield competitive advantage.

7. Consumer Perception and Skepticism

Public response to CSR depends on perceived sincerity. High skepticism can reduce impact unless communication is clear, honest, and credible.

Summary Table of Reviewed Studies

Table 1. Summary of Key Findings and Gaps

No	Article Title	Author(s)	Year	Identified Gap
1	Beyond Warm Glow: The Risk-Mitigating Effect of CSR	Bhattacharya, Good, Sardasthi, Peloja	2020	Lack of understanding how CSR reduces risk perception in customer purchase decisions

2	Do Consumers Care About CSR in Their Online Reviews?	D'Acunto, Tuan, Dalli, Viglia, Okumus	2019	There is a lack of explicit studies on the occurrence of CSR in e-WOM and consumer reviews.
3	Does CSR Influence Firm Performance? A Longitudinal Study of SMEs	Ikram, Sroufe, Mohsin, Solangi, Shah	2020	Lack of longitudinal research on CSR in SMEs in developing countries
4	CSR in Professional European Football: An Integrative Framework	Fifka, Jaeger	2018	There is no strategic CSR framework suitable for the sport industry context
5	A Micro-Level View of CSR: A Hospitality Management Review	Guzzo, Abbott, Madera	2019	Lack of micro-level studies of CSR (influence on customer and employee behavior)
6	The Effects of CSR Communication in Corporate Crises	Ham, Kim	2019	Lack of studies on the role of consumer skepticism in the effectiveness of CSR communication during crises
7	Linking CSR and Organizational Performance The Role of Reputation	Singh, Misra	2021	Not many explicit studies on reputation as a moderator of CSR-organizational performance
8	CSR-Contingent Executive Compensation Contracts	Ikram, Li, Minor	2019	Lack of studies on the effectiveness of CSR-based managerial incentive schemes

9	Do Large Firms Just Talk Corporate Social Responsibility?	Ting, P. H.	2020	Not many studies distinguish between symbolic and substantive CSR and its effects on performance
10	CSR and Organizational Performance in Developing Economies	Singh, Misra	2021	Lack of empirical testing of the causal relationship between CSR disclosure and company performance in developing countries.

Synthesized Thematic Map

Corporate Social Responsibility (CSR) is shaped by various interrelated themes that influence how companies engage in socially responsible practices. These themes can be synthesized into seven key dimensions:

- Organizational Factors
- Institutional Context
- Stakeholder Pressure
- Economic Conditions
- Cultural and Geographic Context
- Reputation and Branding
- Perception and Communication

Key Findings

- CSR enhances customer loyalty, reputation, and financial outcomes, and serves as a risk mitigation tool.
- CSR reduces consumer risk perception, especially during economic uncertainty.
- Consumers rarely mention CSR explicitly in online reviews, indicating its implicit impact.
- CSR improves performance even in small and medium enterprises, particularly in developing countries.
- Industries like sports and hospitality require customized CSR approaches.
- There is limited research on how CSR affects individual behavior (e.g., employees and consumers).
- The success of CSR communication depends on authenticity and public trust.
- Strong corporate reputation amplifies the positive effects of CSR.

- Linking CSR to executive rewards can enhance genuine CSR efforts.
- Large firms tend to be symbolic, while SMEs are more action-oriented in CSR implementation.

DISCUSSION

The findings of this Systematic Literature Review (SLR) highlight that Corporate Social Responsibility (CSR) has evolved into a multifaceted strategic instrument that not only addresses ethical expectations but also contributes significantly to organizational outcomes. CSR is shown to enhance customer loyalty, build reputation, mitigate risk, and improve financial performance, reinforcing its role as a core component of business strategy rather than a peripheral activity.

The analysis reveals that context matters greatly in how CSR is implemented and perceived. In developing countries and among SMEs, CSR tends to be more substantive and embedded in operational practices, while large corporations often adopt more symbolic approaches focused on branding and compliance. This supports Ting's (2020) distinction between symbolic and substantive CSR, emphasizing the need for better metrics to assess CSR authenticity. Furthermore, industry-specific studies, such as those by Fifka and Jaeger (2018), show that generic CSR models may not be effective in specialized sectors like sports or hospitality, reinforcing the importance of sector-specific frameworks.

Another key point is the importance of stakeholder perception and communication. As shown by Ham and Kim (2019), consumer skepticism—especially during crises—can undermine the effectiveness of CSR communication, regardless of the actual intent or quality of the initiative. Therefore, CSR must not only be practiced but also credibly communicated to gain stakeholder trust. Reputation plays a moderating role in this process, amplifying CSR's impact on performance (Singh & Misra, 2021), which aligns with the Resource-Based View that sees reputation as a strategic intangible asset.

Moreover, this review identifies research gaps, particularly the limited focus on micro-level analysis (e.g., employee and customer behavior), the underexplored role of CSR in executive compensation, and the lack of empirical validation in non-Western contexts. These gaps suggest a need for future research that integrates psychological, behavioral, and contextual dimensions to fully understand CSR's impact.

In summary, CSR is no longer optional or symbolic. It is a strategic, context-sensitive, and stakeholder-driven practice that requires authenticity, transparency, and alignment with both internal values and external expectations. Companies that embrace CSR holistically are more likely to achieve sustainable performance and long-term legitimacy in an increasingly complex business environment.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

This Systematic Literature Review (SLR) concludes that Corporate Social Responsibility (CSR) has transformed from a voluntary ethical initiative into a strategic and multidimensional component of modern business practice. CSR is found to positively influence various organizational outcomes, including customer loyalty, risk mitigation, reputation, and financial performance. Moreover, it serves as a key strategy during periods of crisis and uncertainty.

The review highlights that the implementation and impact of CSR are influenced by several contextual factors, such as firm size, industry type, stakeholder expectations, and geographic location. Substantive CSR practices are more common in SMEs and developing countries, while symbolic CSR remains prevalent among large firms. Reputation and consumer perception also play a crucial role in moderating the effectiveness of CSR efforts.

Despite growing interest in CSR, several gaps remain, particularly in micro-level analysis, non-Western contexts, and the measurement of CSR authenticity. Future research should focus on developing more context-specific, stakeholder-driven, and empirically validated models to fully capture the strategic potential of CSR. Ultimately, CSR must be approached not just as a tool to "do good," but as a strategic imperative to "do good effectively and authentically."

Recommendations

Based on the findings of this study, the following recommendations are proposed for both practitioners and researchers to enhance the effectiveness and strategic alignment of Corporate Social Responsibility (CSR):

1. Develop sector-specific CSR frameworks to address diverse stakeholder expectations and industry-specific dynamics, especially in sectors such as sports, hospitality, and SMEs.
2. Ensure authentic and integrated CSR implementation by aligning initiatives with core business strategies and avoiding symbolic or superficial actions.
3. Strengthen CSR communication by emphasizing transparency, sincerity, and contextual relevance, particularly in response to crisis situations or rising consumer skepticism.
4. Leverage CSR as a proactive tool for risk mitigation and crisis management to maintain stakeholder trust and corporate legitimacy during uncertain periods.
5. Incorporate CSR indicators into executive compensation systems using objective and performance-based metrics to reinforce leadership accountability.
6. Expand CSR research into micro-level and behavioral domains, focusing on employee attitudes, consumer perception, and psychological responses to CSR initiatives.

7. Conduct more empirical studies in developing countries to capture context-specific CSR practices shaped by cultural, economic, and institutional differences.

FURTHER STUDY

While this Systematic Literature Review (SLR) provides valuable insights into the strategic role of Corporate Social Responsibility (CSR), it also reveals several important research gaps that warrant further exploration. One of the most significant gaps lies in the limited attention to micro-level CSR analysis. Existing literature is heavily dominated by studies at the organizational (meso) and institutional (macro) levels, whereas research focusing on individual-level outcomes remains scarce. Future studies should investigate how CSR affects individual stakeholder behavior, such as employee engagement, motivation, ethical decision-making, or customer trust and loyalty. Applying psychological and behavioral lenses would help researchers uncover the cognitive and emotional mechanisms through which CSR initiatives influence stakeholder attitudes and actions.

Another important direction for future research is the contextualization of CSR in developing countries, where CSR is often shaped by different institutional pressures, cultural values, and socio-economic challenges. Most of the current CSR frameworks are developed based on Western assumptions and may not fully capture the realities faced by organizations in the Global South. Scholars are encouraged to conduct empirical studies in Asia, Africa, and Latin America, focusing on how CSR is practiced by both large firms and small and medium-sized enterprises (SMEs) in these regions. In particular, understanding how limited resources, informal institutions, and community-based values influence CSR implementation can contribute to more inclusive and globally relevant CSR theories.

Furthermore, governance mechanisms related to CSR represent a promising area for further inquiry. Recent studies have begun to explore how CSR performance is linked to executive compensation systems, but this remains an emerging and underdeveloped field. Future research could examine how CSR-related incentives affect managerial decision-making, long-term orientation, and actual CSR outcomes. Similarly, more attention should be given to board-level engagement, sustainability auditing, and stakeholder representation in governance structures. Investigating these aspects may offer insights into how CSR can be institutionalized within corporate governance frameworks and not just communicated externally.

Lastly, there is also a need for longitudinal and cross-sectoral studies that analyze how CSR evolves over time and across different industries. Given the dynamic nature of stakeholder expectations and socio-political conditions, longitudinal data could help explain patterns of CSR adaptation, decline, or transformation in response to internal and external triggers. Comparative studies across sectors—such as finance, manufacturing, hospitality, or sports—would also provide a richer understanding of how CSR is operationalized under different market logics and stakeholder configurations.

In summary, future CSR research should aim to be more behaviorally focused, geographically diverse, governance-oriented, and methodologically longitudinal. These directions will not only fill current gaps but also deepen our understanding of CSR as a strategic, context-sensitive, and stakeholder-driven practice.

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