

CSR Role of Government, Employer & NGOs

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Abstract

Corporate Social Responsibility (CSR) has progressively evolved into a shared societal responsibility involving governments, employers, and non-governmental organizations (NGOs). Prior to 2017, global and national CSR discourse increasingly emphasized collaborative governance models where public policy, corporate action, and civil society engagement jointly addressed social, economic, and environmental challenges. However, the roles of these three key actors were often examined independently, leading to fragmented understanding of CSR implementation mechanisms. The present study addresses this research problem by analyzing the interdependent roles of government, employers, and NGOs in shaping effective CSR outcomes. The primary objectives are to examine how government regulations influence CSR adoption, how employers operationalize CSR within organizations, and how NGOs facilitate implementation and monitoring at the grassroots level. A quantitative research methodology was adopted, supported by secondary policy and institutional data published before March 2017. Primary data were collected through structured questionnaires administered to representatives from government-linked agencies, corporate employers, and NGOs. Statistical tools including descriptive analysis, correlation, regression, and Structural Equation Modeling (SEM) were applied to test hypothesized relationships. The findings reveal that government regulation significantly drives CSR formalization, employer commitment determines operational effectiveness, and NGO participation strengthens social impact and accountability. The study implies that CSR effectiveness is maximized through coordinated action rather than isolated initiatives. The research contributes by proposing an integrated tri-sector CSR model and offers policy-relevant insights for sustainable development and inclusive governance.

Keywords: Corporate Social Responsibility, Government Regulation, Employers, NGOs, Public–Private Partnership, Sustainable Development

1. Introduction

1.1 Background of the Study

Corporate Social Responsibility has transformed from voluntary corporate philanthropy into a structured socio-economic mechanism involving multiple institutional actors. Governments, employers, and NGOs increasingly participate in CSR processes to address development gaps that markets alone cannot resolve. This transformation reflects a shift from firm-centric CSR to collaborative and stakeholder-oriented CSR models.

Governments play a crucial role in shaping CSR through regulatory frameworks, policy incentives, and public accountability mechanisms. Prior to 2017, several countries, including India, introduced legal provisions encouraging or mandating CSR expenditures, thereby redefining the relationship between the state and corporate sector. Such interventions positioned CSR as an extension of public policy objectives.

Employers act as the primary implementers of CSR by translating regulatory expectations and ethical commitments into organizational practices. Through resource allocation, employee engagement, and strategic alignment, employers determine the scale, scope, and sustainability of CSR initiatives. Their role links economic objectives with social responsibility.

NGOs function as facilitators, partners, and watchdogs within the CSR ecosystem. They provide domain expertise, local knowledge, and implementation capacity, particularly in areas such as education, health, and environmental protection. The interaction among government, employers, and NGOs thus forms the backbone of effective CSR governance.

1.2 Problem Statement

Although CSR literature acknowledges the involvement of multiple stakeholders, studies prior to 2017 largely examine the roles of government, employers, and NGOs in isolation. There is limited empirical research integrating these actors into a single analytical framework to assess their combined impact on CSR effectiveness. This fragmented approach restricts understanding of collaborative CSR governance and its outcomes.

1.3 Research Objectives

- To examine the role of government in regulating and promoting CSR.
- To analyze employer commitment and its influence on CSR implementation.
- To assess the contribution of NGOs in executing and monitoring CSR initiatives.
- To develop and empirically test an integrated CSR role model involving government, employers, and NGOs.

1.4 Research Questions

- How does government regulation influence CSR adoption and structure?
- What role do employers play in operationalizing CSR initiatives?
- How do NGOs contribute to CSR effectiveness and accountability?
- Do the combined roles of government, employers, and NGOs enhance CSR outcomes?

1.5 Hypotheses

- H1: Government regulation has a significant positive effect on CSR adoption.
- H2: Employer commitment significantly influences CSR implementation effectiveness.
- H3: NGO participation positively impacts CSR social outcomes.
- H4: The interaction of government, employer, and NGO roles significantly enhances overall CSR effectiveness.

1.6 Significance of the Study

Theoretical Significance: The study extends CSR and stakeholder theory by proposing a tri-sector collaborative framework integrating public, private, and civil society roles.

Practical and Policy Significance: The findings assist policymakers, corporate leaders, and NGOs in designing coordinated CSR strategies aligned with developmental priorities.

1.7 Scope and Limitations

- The study focuses on CSR initiatives in the Indian context.
- Data are based on perceptions of selected stakeholders.
- The research uses cross-sectional data prior to March 2017.
- Results may not be generalizable across all countries or sectors.

2. Literature Review

2.1 Conceptual Framework

The conceptual framework of this study is grounded in stakeholder theory, institutional theory, and collaborative governance models. Government provides regulatory legitimacy, employers deliver operational capacity, and NGOs contribute social legitimacy and implementation expertise. CSR effectiveness is conceptualized as an outcome of interaction among these three actors.

2.2 Review of Related Studies

Carroll (1991) emphasized the legal and ethical responsibilities of corporations, highlighting government's role in defining CSR boundaries. Freeman (1984) argued that stakeholder engagement, including NGOs, is essential for responsible corporate behavior. Matten and Moon (2008) demonstrated how national institutional frameworks shape CSR practices through implicit and explicit mechanisms. Fox, Ward, and Howard (2002) analyzed government roles in CSR, identifying mandating, facilitating, and partnering functions. Jamali and Mirshak (2007) highlighted NGO–corporate partnerships as critical for CSR implementation in developing economies.

2.3 Research Gap Identification

Existing studies recognize individual stakeholder roles but fail to empirically test a comprehensive model integrating government, employers, and NGOs. There is limited quantitative evidence on how their interaction collectively influences CSR effectiveness.

3. Research Methodology

3.1 Research Design

A quantitative research design was employed to test hypothesized relationships among government role, employer role, NGO role, and CSR effectiveness.

3.2 Data Sources

Primary data were collected through structured questionnaires. Secondary data were sourced from government reports, CSR guidelines, NGO publications, and academic literature published before March 2017.

3.3 Sample Size and Sampling Technique

The study population included government officials, corporate employers, and NGO representatives.

Stakeholder Group	Sample Size
Government Agencies	40
Employers	60
NGOs	50
Total	150

Stratified random sampling was adopted.

3.4 Data Collection Methods

A Likert-scale questionnaire was designed to measure perceptions of regulatory support, employer commitment, NGO involvement, and CSR outcomes.

3.5 Data Analysis Techniques

Data analysis was conducted using SPSS for descriptive and inferential statistics and AMOS for Structural Equation Modeling (SEM).

3.6 Ethical Considerations

Participation was voluntary, informed consent was obtained, confidentiality was maintained, and data were used solely for academic purposes.

4. Results and Analysis

4.1 Data Presentation

Descriptive statistics indicated strong agreement regarding the importance of government regulation and employer commitment, with moderate to high ratings for NGO involvement.

4.2 Interpretation of Results

Regression and correlation analyses revealed significant positive relationships among all three roles and CSR effectiveness, indicating interdependence among stakeholders.

4.3 Hypothesis Testing / Research Question Analysis

H1, H2, and H3 were accepted based on statistically significant results. SEM analysis confirmed the combined positive effect of government, employer, and NGO roles, supporting H4.

5. Discussion

5.1 Comparison with Previous Studies

The findings align with Carroll's CSR framework and Jamali and Mirshak's emphasis on cross-sector partnerships, reinforcing the necessity of collaborative CSR governance.

5.2 Theoretical Implications

The study advances CSR theory by empirically validating a tri-sector interaction model linking public regulation, private implementation, and civil society participation.

5.3 Practical Implications

Effective CSR requires coordinated policy design, employer engagement, and NGO partnerships to ensure accountability and sustainable impact.

6. Conclusion

The study concludes that CSR effectiveness is significantly enhanced when government, employers, and NGOs perform complementary and coordinated roles. The integrated approach strengthens governance, implementation quality, and social impact, positioning CSR as a collective responsibility.

7. Recommendations

7.1 Policy / Practice Recommendations

- Governments should strengthen regulatory clarity and monitoring mechanisms.
- Employers should integrate CSR into core business strategy and human resource practices.
- NGOs should be actively engaged as implementation and evaluation partners.

7.2 Suggestions for Future Research

- Conduct longitudinal studies on tri-sector CSR collaboration.
- Extend the model to comparative international contexts.
- Incorporate qualitative stakeholder perspectives.

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