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**THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY, IN THE SOCIETY INTEREST “KOSOVO CASE”**

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**Abstract:** This paper will be accomplished by describing and verifying the social responsibility of organizations in the state of the Republic of Kosovo to undertake the study of the impact and impact these organizations have on the Kosovo society and the population in general. This paper will show how individuals and society in general see social responsibility as current in Kosovo, including employment, environmental protection, unemployment reduction and many other activities that have a crucial impact on our country. Although the new approach in our country as an approach and activity requires rapid implementation because every organization in the global market is heading towards orientation in increasing social capacities and integrating activities that have a positive effect on the society in which the organization surrounds. In order to get closer to this, hypotheses will be discussed, starting from the main one and under hypotheses which are accompanied by research questions which will specify and detail how social responsibility is an indispensable act for an existence of an organization. Today, the management of large national and international organizations is oriented towards enhancing their interests as well as their society, because they are an obligation that must be met against socialization in general and at the same time it is necessary to undertake various actions which, apart from the operationalization of these actions have an effect on the organization and groups of individuals in general. So in this paper we will try to see the case of Kosovo which variables and factors are affecting and applying in our country either as a responsibility or as an effect they have an obligation by analyzing factors such as economic growth, employment, greening investments, environmental protection.

**Keywords:** Social responsibility, influence and Kosovo.

**INTRODUCTION**

As a purpose of the paper we will try to evaluate how much socially-oriented social responsibility applications are in line with the organization's responsiveness to their market activity. This implies that these responsibilities are obligations of the organizations that have towards the consumers and the surrounding population, the responsibility of which creates competitive competing openings as well as their growth potential in the market where they operate. It is important to emphasize that despite the conflict of interests, each corporation should rely on CSR implementation, thus contributing to health and safety, human rights, corporate governance improvement, consumer protection. Then, considering all this, we can say that implementing CSR brings good long-term companies by investing in its good name. Unethical behavior in Kosovo business is closely related to the existence of the informal sector, which is very evident in Kosovo. The informal sector in Kosovo authors and various publications have calculated that the informal economy of Kosovo is estimated to be between 40% - 60%, using indicators such as the number of employees in the formal and informal economy, the number of enterprises working in the formal and informal field as well as the comparative figures of other states. Regardless of the different structures available to organizations in Kosovo, they are obliged to have these activities outsourced to their organizational network in order to make a more strategic planning in the sense of the market position they are focused on. The approach of social responsibility of the organizations is a new integrated discipline as an activity in the sense of organizing the actions towards the society, because the firms in traditionalism are more pre-paid with the maximization of profit and the share of money circulation and relocation of sales, today they are faced with the system of modern economy and major changes in the market in terms of organizing and carrying out the movements. The social responsibility model of business governance goes a step further beyond the interest group model and means that the business operates and has a responsibility not only for its component group but also for the society in general.

**LITERATURE REVIEW**

The roots of CSR certainly lie before World War II, but we will not go back far enough. It should be noted, however, that the comments of Dean Donald K. David for the MBA Class at the Harvard Business School in 1946

are particularly appropriate to be reminded; Bert Spector has argued that the roots of current social responsibility movements can be traced back to 1945-1960, the early Cold War years; Frank Abrams, a former executive with Standard Oil Company, New Jersey, expressed concerns about the broader responsibilities of management in a complex world (Abrams, 1951); Keith Davis argued that social responsibility referred to 'business decision-makers and actions taken at least partially beyond the firm's direct economy or technical interest' (Davis, 1960, pg. 70), William C. Frederick argued that business resources should (Frederick, 1960, pg. 60), Milton Friedman (1962) where he has 'one and only one socially responsible business' - to use that resources and engage in activities designed to increase profits. The formal definitions of CSR began to spread in the 1970s and the overall trajectory was to an emphasis on CSP - social corporations and performance (Carroll, 1999, Sethi, 1975), Frederick called the 80s as the beginning of 'corporate / business ethics' A stage where the focus was on fostering corporate ethical cultures (Frederick, 2008); social business responsibility includes economic, Legal, ethical, and discretionary [referred to as philanthropic] societies to organizations at a certain point in time (Carroll, 1979, pg. 500, 1991, pg. 283); Zadek argued that companies follow CSR strategies to (1) defend their reputation (alleviating pain), (2) justify cost benefits ('traditional' business case), (3) integrate with their broader strategies ("Case"), and (4) learning, innovating and managing the risk (New Economic Business case), (Zadek, 2000). However, there are risks, opportunities and obligations associated with promoting sustainable development concerning environmental, economic and social success (Baumgartner, 2014). The definitions in the 50s and 60s are all showing the need for philanthropic activities to contribute towards societal welfare and development (Hamidu et al., 2015). First, a company's stakeholders act as mediators who help consumers accept CSR activity that is highly congruent with a corporate image (Jin & Lee, 2019). Regular stakeholder engagement as well as strategic communications can bring more responsible organizational behaviors (Camilleri, 2015). For example, job seekers are attracted by CSP and organizational ethics that mirror their own values (Turban & Greening, 1997, Jones, Willness & Madey, 2014). Strategic CSR could increase the financial performance of businesses it minimizes their costs through better operational efficiencies, boosts the employee morale, creates job satisfaction and reduces the staff turnover, along with other benefits (Camilleri, 2017). That is, when firms or managers do CSR activities temporarily, CSR activities may not help to enhance financial performances, while CSR activities do help to improve financial performances when firms do CSR permanently (Jeong et al., 2018). It would be interesting to investigate whether and how the extent to which a firm makes progress towards both socially and environmentally sustainable behavior is affected by the firm's organizational structure (Ferri & Pini, 2019).

**METHODOLOGY**

Research Methodology is a process that is based on a multitude of gamut or game play data that are collected from the observations of the questionnaire which enables us to see more closely the part of the data and information that links to the dimension of social responsibility. The methodology of this research process is based on the survey questionnaire and research questions that are structured with the purpose of extracting data in the relevant fields and the necessary variables on filling in the appropriate elements. Data collection is made possible by the questionnaire that is a structured segment of research questions that are almost entirely responsive to the corresponding topic on CSR role and importance in local organizations. The realization of the questionnaires was done in the method of face-to-face interviews with different citizens and respondents. After carrying out fieldwork, the questionnaire was subjected to quality control in order to obtain the information needed for further steps. The questionnaire is a structured sample as a research tool or as a research mechanism where through the research questions contained in this questionnaire as detailed and specified questions and the dense part of the questions that are incorporated it also includes the degree of identification of expressions of satisfaction and expressed dissatisfaction through Likert scale, which will help us to make it easier to get more accurate and detailed analyzes of the impact of corporate social responsibility and the relationship that these activities have with organizations in general.

**RESULTS**

- **CSR as an activity in Kosovo organizations and the use of social responsibility as an effect, corporate profit and increase:**

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.048	1	19.048	44.802	.000 <sup>a</sup>
	Residual	62.925	148	.425		

Total	81.973	149			
a. Predictors: (Constant), Social					
b. Dependent Variable: Is_CSR_advantage_for_companies					

**Table 1. Testing hypothesis**

Through the ANOVA test we have tried to amplify the regression relationship of these two variables which again resulted in the same effect and impact where again significance has come to be with a very strong correlative correlation that makes this mortality stay.

- **The impact of CSR on the organization as a positive effect:**

Correlations			
		Social	Private sector companies
Social	Pearson Correlation	1	.919**
	Sig. (2-tailed)		.000
	N	150	150
Private sector companies	Pearson Correlation	.919**	1
	Sig. (2-tailed)	.000	
	N	150	150
**. Correlation is significant at the 0.01 level (2-tailed).			

**Table 2. Correlation significance**

As far as the first hypothesis is concerned, we have to do only with the segment of their influence on businesses because, starting from the main hypothesis that we proved the application of these activities, under the first hypothesis we are verifying what is the correlative correlation of social activities companies with society in general. Because here the variables that have been tested are private sector firms with the social issues they apply and it turns out to be a good correlation that significance is at its most powerful level that still confirms the sustainability of this hypothesis subsection, respectively the main hypothesis. But it also starts from the fact that the correlation strongly correlates with the number 1 in the two cases if we take as the average of two sums (.919 and 1), then we have to do with the number 1 expressing a strong correlation.

- **The result of social responsibility as maximizing profits:**

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	105.762	1	105.762	820.728	.000 <sup>a</sup>
	Residual	19.072	148	.129		
	Total	124.833	149			
a. Predictors: (Constant), Social						
b. Dependent Variable: Companies should offer high and consistent quality of products/services for reasonable prices						

**Table 3. Testing hypothesis**

Correlations			
		Companies should offer high and consistent quality of products/services for reasonable prices	Social
Pearson Correlation	Companies should offer high and consistent quality of products/services for reasonable prices		.920
	Social	.920	1.000

Sig. (1-tailed)	Companies should offer high and consistent quality of products/services for reasonable prices	.	.000
	Social	.000	.
N	Companies should offer high and consistent quality of products/services for reasonable prices	150	150
	Social	150	150

**Table 4. Correlation significance**

While even on the ANOVA table and the coefficients are the values expressed as higher than the hypotheses are ascertained, they still stand by the combination of variables where this strong link is verified by regression and significance which is at the highest levels of interaction it is about the impact of social responsibility on the growth of company profits, reputation, industry leadership and performance in competition. The result of social responsibility as a form of profit realization is set in the second sub-criterion which gives a generally similar result because it is also related to a correlative correlation according to Pearson's correlation as a very strong relation expressed through the value of significance as in the table as a strong relation between the social and social variations of the high and sustainable supply of products and the reasonable price.

• **CSR as an orientation towards organizational growth:**

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	123.450	1	123.450	626.924	.000 <sup>a</sup>
	Residual	29.143	148	.197		
	Total	152.593	149			
a. Predictors: (Constant), Social						
b. Dependent Variable: Manufacturing						

**Table 5. Testing hypothesis**

To confirm once again the relationship between these two variables is evidenced for the ANOVA test and the coefficients that express the same regressive and significant relation, which again verifies that the variables are consistent and interdependent with each other, respectively the sustainability of the subsection Hypothesis is the third.

Correlations			
		Manufacturing	Social
Pearson Correlation	Manufacturing	1.000	.899
	Social	.899	1.000
Sig. (1-tailed)	Manufacturing	.	.000
	Social	.000	.
N	Manufacturing	150	150
	Social	150	150

**Table 6. Correlation significance**

While under the third hypothesis we are dealing with social activities as a form of growth, as a social responsibility (obligatory and moral), but also as an organizational increase in the physical term as extension and expansion of the company as well as increase of profits and circulatory. The variables as the output we have taken as a capacity increase and the social aspect as the dimension for which the contribution is being verified demonstrates that both correlation and significance have a good correlation because the growth of the firm increases its responsibilities both for society and for the operating environment.

**CONCLUSION**

- *CSR as an activity in local organizations and their application?*

Given that the new and relatively unknown discipline for our businesses is a very attractive field which implies that our managers are those who accept these dimensions of change because in reality we cannot say that not at all applicability are activities that the capacity to raise awareness that these responsibilities give the firm many advantages and create the image of a prudent and social institution for society. While new and interesting areas for the economies of transition countries, they represent a range of values and cultures that our businesses are able to and conditions to accommodate and create the necessary organizational changes. Responses to these research questions are also tested in the context of econometric programs that have yet to prove the validity that our businesses are socially acceptable and the responsibilities they require from acting as a business.

- *Correlation of social responsibility and organization?*

The interconnecting relationship that has created these activities with local businesses is a declaration of a strong interconnection which is expressed through regression or even correlation of Pearson, given the strong correlative connections of 1.00. Although they are the ones that are obliged to carry out our organizations and companies, they still represent a very interesting field because through these new settings are created the change and the creation of values that bring it great benefits and benefits. This correlation is a form of interconnection between the variation of the traditional practices of firms in what is called today the responsibility for the actions taken, not because it implies arbitrary access to traditions and all unlawful and damaging actions are done without it was evidenced as degrading actions, but the effect lies in that we must become aware of every act and action that is made both individualist and organizational. And that this awareness is in the sense that firms should create practices that create culture and organizational value.

- *Impact of responsibility as an organizational change factor?*

The impact of these social actions provides a cluster of factors that are destined to have organizational change effects that create new atmospheric feelings within the firm, starting from apples and values as something that is not touched and cannot be seen which are experienced up to those that are tangible such as maximizing profit and increasing the firm. This impact not only has an important organizational change, but it also creates new opportunities for identifying practices on environmental protection, employment and various green field investments, activities that today firms in globalization struggle to be competitive and distinction for action in their implementation.

- *Result of applying for accountability as an indicator of organizational growth and capitalization?*

As noted above, the application of these activities brings major changes to the organization, as well as through various variables as it is directly affecting the growth of the organization and its size in the physical sense. Indicators show that responsibility is a form of obligation that must be taken into account for the actions performed, in our research, besides indicating in the relevant indicator competencies is the perception that the greatest application of them also brings stability to firms and industry in general. This is due to the fact that development trends are growing above and changes are necessary both as moral or legal obligations but also organizational. In conclusion we can say that the highest level of integration of these activities has positive results for firms, as they create different values in the company, and they have an impact on companies that bring good income to corporate owners and shares.

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