

## Corporate social responsibility initiative for the community



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### ABSTRACT

The concept of corporate social responsibility (CSR) has been a topic of discussion as early as the eighteenth century and it has continued to grow over the decades. This concept is a strategy that links corporations to communities based on the stakeholder theory which sees the responsibility of business entities or private sectors rested not only on shoulders of shareholders but also to all stakeholders including the community and society. Hence, efforts have been carried out by various parties at the international and local level to implement this concept. This decade has seen maturity in its discussion which has touched on the issue of community development on its strategy of implementation. Hence, this paper will discuss the implementation of the CSR concept towards a community and how the initiative would benefit the community that participated in the CSR program from the perspective of community development.

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### 1. Introduction

The CSR concept is an instrumental aspect of the stakeholder's theory which manages the corporation's responsibility to its stakeholders including shareholders, employees, suppliers, customers and also local communities (Idemudia, 2009). The concept of Corporate Social Responsibility (CSR) has been defined by the World Business Council for Social Development (WBCSD, 2000) as the commitment of business institutions in contributing to sustainable economic development, working together with their employees, their families, the local community and society in general to improve the quality of their lives. As such, this concept has linked companies with human rights issues, workplace, environmental, safety and health, relationships between suppliers and customers and also relationships with local communities (WBCSD, 2000). Based on these responsibilities, corporations have undertaken various activities such as improving employee safety and health management systems, environmental conservation efforts, developing certification schemes and labels for products and services, organizing dialogues with

stakeholders, implementing partnerships with NGOs and enhancing support for community development projects and programs (Utting, 2005).

Although the initial concept of CSR is not only focused on the development of the community, the observation made by some scholars found that most CSR activities by business corporations will be directly or indirectly involved with the community (Kotler and Lee, 2005). A review on the theme of CSR initiatives undertaken by the corporation found responsible for the community has dominated the implementation of CSR programs by most companies (Kapelus, 2002). Hence, it is of great importance to research on CSR that assesses and evaluates the CSR initiative which has been carried out by the corporation towards the community (Muthuri, 2007a; Prieto-Carron et al., 2006; Utting, 2003). To date, discussion on the benefits and outcomes of the CSR initiative to the community from CSR empirical studies are minimal (Mokhele, 2018; Phaholyothin, 2017; Prieto-Carron et al., 2006; Utting, 2003).

The role of the corporation in community development will not be visible and the beneficiaries of the effort will be unknown without an empirical study that assesses this initiative by measuring the outcome of the CSR program. Further to that, discussions on how CSR assists the community cannot be conclusively made (Zurbuchen, 2017). Hence, this paper will discuss the issue by looking into the contribution of CSR initiatives towards the community and what is the outcome of the initiative towards community development.

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## 2. CSR contribution to community development

Private sectors or business corporations have roles in achieving economic, social and environmental development for a country and its community, and the CSR concept is one of the sources for the implementation of the said roles. Starting in 2002, the World Summit on Sustainable Development had recognized the essential roles of business corporations in addressing development issues to achieve the Millennium Development Goals (MDGs). Till this decade, the responsibilities and its roles in society have been continually discussed in the Sustainable Development Goals (SDG) agenda to assist in reducing poverty and hunger level, increase well-being and good health as well as reducing inequalities in life of society (Radzi et al., 2018; Kolk et al., 2008; Fox, 2004). In doing so, the business corporations are expected to ensure their activities do not destruct the environment and simultaneously acted as a positive driving force for society's wellbeing (Sarmila et al., 2018; Idemudia, 2008; Prieto-Carron et al., 2006).

In managing the CSR efforts towards developing the community's goals, it is imperative that the CSR implementation strategy is given a more comprehensive conception by providing space for the development of new themes and approaches that support the needs of the local community (Blowfield, 2007; Prieto-Carron et al., 2006; Frynas, 2005; Fox, 2004; Margolis and Walsh, 2003). Some development themes are raised and highlighted as the fundamental contribution by most CSR initiative projects. A study by Eweje (2006) on the initiatives of the MNE Corporation in Nigeria found that through the CSR initiatives, the company has provided infrastructure, education opportunities and clinics in providing medical facilities for HIV/AIDS patients for the community. The study also found a business corporation operating in Zambia which has also been working on providing medicines and vaccines to eradicate the spread of malaria in the country. A study by Frynas (2009) on CSR initiatives by oil mining companies in the world also found that these companies have taken developmental approaches as a key strategy in their efforts to address social and environmental impact issues. This study found that business corporations in the industry have invested heavily in community development in the countries in which they operate. The community development initiatives schemes contributed by these companies include the provision of hospitals, schools and the creation of micro-credit loan schemes for local communities.

In helping the community, a study by Fox (2004) revealed that business corporations are not only involved in assisting the development of labor, human rights, education and health standards for community development purposes in their area of the business operation but are also indirectly involved in addressing governance issues in the country. Thus, Muthuri (2007b) came with the observations that when a business corporation is

involved with social issues in the community, the company will indirectly be involved with the social-political governance affairs of the country. Hence, in less developed countries, there would come to a certain extent that when business corporations assist in addressing social problems and opening up opportunities for community social development, they too will be involved in the community-governance relationships within the country. This phenomenon has also been observed in a study by Kapelus (2002) which states that efforts of business corporations to implement CSR initiatives to the community with the aim of demonstrating their social responsibility as expected by the stakeholders. These business corporations are also indirectly seen as successors to government agencies in contributing to social welfare projects. The contribution includes infrastructure development and community economic programs such as providing services to small entrepreneurs and small business sectors in those countries. Another study by Muthuri (2007a) on the CSR component which is referred to as corporate community investment (CCI) in Kenya by Magadi Soda Company. It was found that the local community has the perspective that Magadi Soda's company is their "private government". The community appreciates the infrastructure and development assistance services provided by the company and hopes that the company would act as its development agent. Magadi Soda's company had adopted a social welfare approach in implementing the company's CSR initiative especially after the government reduced subsidies to the community in the late 1970s. In this regard, in the international development agenda, the CSR initiative by business corporations could be an alternative to development programs undertaken by public development agencies and have the potential to respond to future developmental problems (Frynas, 2005). Business corporations have given a significant contribution to the community and the receiving community expects more development projects to be implemented by business corporations operating in their area to meet their needs and assist in developing a more stable future for the community. Indirectly, business corporations have undertaken the roles of the government towards the community's economic and social development. Due to that nature, business corporations have also been working in close collaboration with powerful development planning agencies in their area of operations to improve the implementation of CSR initiatives (Truong and Hall, 2015; Eweje, 2006; Kapelus, 2002).

## 3. CSR initiative to reduce poverty

Further research on business and community development has explored the potential of corporations to play their roles in reducing poverty and also some other social objectives that are difficult to implement if only the government itself is working on it (Kolk and Van Tulder, 2006; Fox,

2004). However, in discussing the issue of international development policy concerning the specific and general impact of multinational corporations on poverty, two aspects are often being discussed. One aspect is on the negative repercussions from the company's operating activities such as the impact on the environment which will affect the local community's sources of income, while the second aspect is on the company's potential to help in reducing the global poverty rate through donations of funds, infrastructure assistance and employment opportunities (Sciortino, 2017; Idemudia, 2009; Utting, 2003). In discussing this issue, Idemudia (2009) referred to the company's CSR initiatives which were said to have no negative impact on the environment and society as negative injunction duties. On the other hand, the company's CSR initiatives aimed to contribute to development efforts as affirmative duties. Idemudia suggested that business corporations should balance both of these efforts as focusing only on one of these efforts would not successfully contribute to the community's development.

However, there is a debate on this issue as CSR initiatives towards the community that has been carried out by most corporations are still at the forefront of meeting the needs of the poor (Eweje, 2006; Frynas, 2005; Jenkin, 2005; Fox, 2004). Studies in Papua New Guinea, Brazil and Indonesia prove that even though the company has implemented social responsibility towards the community in the country, this effort does not coincide with the expectations of the stakeholders in their area. The study found that CSR's contribution made by this company was not received by all of the communities in the area of operation. Hence, the community expects more resources should be contributed to the community through the CSR project (Kapelus, 2002). Similarly, a study on three companies operating in India found not all CSR strategies contribute to the development of local communities, and more positive approaches should be taken to ensure that the corporations can affect positively the local community (Barney, 2003).

To address these criticisms, the business industry began to think of what they could do to engage the poor. In this regard, the concept named 'Bottom of Pyramid' has been developed by kick-starting business initiatives towards the poor intended to benefit the group and at the same time the company (Fox, 2004). However, to start a project with the poor or even with the local community, companies need to align these projects with the local culture in order to ensure it is going to be well accepted by the community. A study by Idemudia and Ite (2006) found that Garmin Bank's micro-credit project successfully helped local communities in Bangladesh to start small businesses in their area. However, this initiative rendered unsuccessful when implemented in Africa. It was found that it is not in line with the culture of the local community to engage in lending activities. The culture of the local community in Africa has become a constraint to the success of this

project in the country. These issues have been earlier highlighted as the constraints faced by business corporations in addressing local social issues such as local needs and cultures as well as community involvement for community development purposes. Failure to do this has also lead to the assumption that business institutions are trying to escape from facing the agenda of poverty in the community even though they are deemed to have the potentials to make a positive contribution to this issue (Frynas, 2005; Fox, 2004). However, the actual case is that very little is known about the implementation of these initiatives towards the community. One of the best ways of analyzing CSR projects in developing countries is to consult on its capabilities for poverty reduction (Mokhele et al., 2018; Blowfield, 2007).

#### 4. CSR initiative for community capacity

Business corporations are advised to pay attention to capacity development efforts to the local community to ensure that CSR initiatives positively impact the community (Muthuri, 2007a; Barney, 2003). Hence, they should not be paternalistic or charitable; instead, it requires an engagement with the community and assists in shaping the life of the community positively. This approach confirmed with the human development paradigm developed by Haq (1995) which emphasized human capital development, capacity, and empowerment to develop community freedom of choice in their life. With this approach, development assistance needs to be centered on the community where human beings need to be a part of the process and also the goal of the development outcome. It is also understood that the development efforts undertaken without the focus on human capital development are not capable of achieving full development because transformation in development requires capital and human initiative.

CSR initiative and capacity development study by Barney (2003) revealed that the positive approach of CSR initiative strategy was well received by the local community even though this strategy did not give any material contribution to the community as compared to other CSR strategies that focused on material contribution. This positive strategy approach has given the community the opportunity to be involved in the company's management process to link the company and its customers. The community representatives are given the opportunity to build their capacity in managing their relationship with the company when given space to represent the local community. Given this, the community felt the company had helped them build community empowerment on community relations issues with the corporation.

According to Fox (2004) to widen the scope of CSR's contribution to the development of community capacity, CSR efforts are also encouraged to focus on Small and Medium Enterprises (SMEs), the informal sector as well as the local private sectors. CSR initiatives can be carried out by linking these sectors

into the company's business chain and through this chain, assets, skills and technology transfers to the local communities. Such efforts are expected to create an impact on not only local business activities but also would create job and income opportunities for the local community. Government agencies or NGOs profoundly recognize CSR efforts in this form because through such efforts expertise and knowledge can be transferred to local communities (Muthuri, 2007a; Kolk and Van Tulder, 2006). This effort will then be a mechanism to help strengthen the structure of the community, thereby helping the community tackle the development issues. Hence, CSR efforts are not capable of contributing to community development if the community only participates in the initiative as recipients. The CSR strategy that uses a paternalistic-welfare approach where business corporations donate material to the community from time to time will not help develop the community, but will likely create the community's dependence on the company.

Therefore, the CSR implementation strategy for community development purposes should focus on developing the community's ability to be responsible for their development. In this regard participation from the community is very important in CSR initiatives. Through this participation, the needs of the community and their opportunity to contribute to development can be identified. The need for community participation was discussed by Frynas (2005) which criticized CSR initiatives that do not provide space for community participation especially for the communities whose voices were not heard such as the poor communities. This situation may result in the capabilities of the CSR initiative to contribute to the development. Due to that, business corporations should be strongly encouraged to take the initiative to invest in human capital and provide local communities with instruments that can drive their economic development in order to address this constraint (Eweje, 2006; Barney, 2003).

## 5. Critiques on CSR initiative towards community

CSR initiative towards the community has also received many criticisms. One of them is on the failure of corporations to pursue CSR efforts that support the development of the community as expected by the parties who recognize this initiative (Frynas, 2005; Fox, 2004). The discussions that examine the contribution of CSR to the community also argues that CSR initiatives undertaken by business corporations are generally focused on philanthropic steps without appropriate planning with the recipient community or relevant development agencies (Kolk and Van Tulder, 2006; Frynas, 2005; Newell, 2005; Barney, 2003). The initiative is assumed to not meet the needs of the community and is also entirely controlled by the company. Hence, the community will rely on business corporations that carry out these efforts in order for them to continue getting the resources

contributed by the business corporations (Muthuri, 2007a; Barney, 2003). This paternalism CSR initiative is feared to persist for an extended period and unknowingly create the community's dependence on the company. This phenomenon will not only cause social issues in the communities but are also not in line with community development objectives (Muthuri, 2007a; Botes and Van Rensburg, 2000). Because of this, there is a view that CSR initiatives undertaken by business corporations do not take into account the development issues that exist in the developing country. The CSR program is plagued and molded by the developed countries or the countries of the contributing corporations. The initiatives are also seen as not meeting the needs of community groups and insensitive to local preferences (Fox, 2004; Utting, 2003; Newell, 2005; Kapelus, 2002). Hence, the CSR initiative is no less as an instrument of the greenwash strategy of business corporations which aims to obscure the community's eyes with an issue of the social dimension, but the issue is still a business issue (Utting, 2003).

The effectiveness of CSR efforts on the community is also disputed by some parties as some CSR projects are not entirely successful in contributing to the community. The reason is that this effort is often combined with the public relations strategy (Frynas, 2005; Newell, 2005; Kapelus, 2002). The CSR initiative is also criticized for having a broader agenda in the context of political economy when community projects undertaken by business corporations are seen to have liberalization and legitimacy mode of thoughts especially for multinational corporations (MNEs). All these factors have limited the potential development that can be achieved through this social responsibility initiative of the corporations (Frynas, 2005; Kapelus, 2002).

However, Sharp (2006) believed that CSR reviews and discussions were too quick to criticize CSR efforts without explicitly discussing the basics of their criticism of this phenomenon. He argues that it is not mature if the critics only look to the needs of business corporations to carry out their responsibilities in community development and to forget about the original purpose of the establishment of the company. Supporting the argument, Eweje (2006) further suggested that if there was a failure in the CSR initiative project involving the community, the company that implemented the initiative could not be blamed for the fact that as a business institution, business corporations also had to compete to perform their economic functions. Besides, Idemudia (2009) discussed CSR relations and development which found that CSR studies should not overlook the necessary elements of mutual responsibility from the community themselves in achieving community development. This factor is in line with the definition by the United Nations that community development is a technique to improve the quality of life, especially in underdeveloped areas with the active involvement and also dependence on community initiatives. The definition stressed the importance of

community roles in community development activities.

As such, [Sharp \(2006\)](#) and [Idemudia \(2008\)](#) felt that more information needs to be generated from CSR efforts and community research together with a deep understanding of CSR implementation and its impact on the community from the community's perspective to respond to existing criticisms. Most CSR researchers have acknowledged the lack of information about CSR's implementation and its impact on the recipient of these initiatives. This is not because no research has been done to get the answer to this question, but because the information related to CSR impact on the community from the studies have been very little ([Blowfield, 2007](#); [Muthuri, 2007a](#); [Prieto-Carron et al., 2006](#); [Newell, 2005](#); [Barney, 2003](#)). This situation is further illustrated when [Margolis and Walsh \(2003\)](#) study found 172 empirical studies on CSR analyzed the relationship between CSR's initiative and the profitability of the company and focused on the related results to the business performance. This study is referred to as the "business case" of CSR initiative.

This phenomenon illustrates the CSR study that develop the justification of social outcomes as the "people cases" of CSR initiative which was involved with the impact of the donation provided to the community, the positive impacts on ecosystems, the reduction of poverty rates, the increased community engagement achieved, the increased capability of the disabled community or the increase in disease eradication. All these studies need to be done from the perspective of social actors involved and not from the lens that focuses on the company ([Prieto-Carron et al., 2006](#); [Frynas, 2005](#); [Blowfield, 2005a](#)). Hence, the conclusion of CSR's existing studies has yet to reflect the social performance of Business Corporation concerning the community. This situation leads to the study of CSR initiatives from the perspective of the community or the recipient of this initiative ([Blowfield, 2005b](#); [Prieto-Carron et al., 2006](#); [Frynas, 2005](#)). Furthermore, [Blowfield \(2007\)](#) concluded that the existing CSR study generally assessed 1) CSR initiative overall or general effects 2) CSR initiative impact on business profits 3) attitude, concern and implementation of CSR by the company and 4) stakeholders to the CSR business. All of these dimensions see the CSR initiative from the perspective of the company which is doing it and not from the perspective of business corporation beneficiaries.

## 6. CSR in Malaysia

In Malaysia, the implementation of CSR initiatives is highly regarded and strongly encouraged. In September 2006, Bursa Malaysia launched a social responsibility framework for public companies in Malaysia. The framework aims to provide guidelines for corporations in Malaysia in carrying out social responsibility. Four major focus areas were identified by the framework namely responsibility

for the environment, workplace, marketplace and community. Support from various parties and agencies for the implementation of CSR initiatives by corporations is also very significant in Malaysia. CSR concept is essential to ensure the sustainability of a company in Malaysia and also the sustainable development of the nation. This initiative is considered as having significant roles in ensuring the country's vision of achieving a developing country status which will not only be assessed solely based on total income and economic wealth but the development that benefits all citizens.

The importance of CSR implementation has long been mentioned in the 2007 Budget speech. It was suggested that CSR efforts for public listed corporations in Malaysia need to be channeled in providing business opportunities to local entrepreneurs, human capital development and the well-being of the people. As such, the Malaysian Budget for 2007 has proposed a tax deduction limit on private sector contributions for this purpose to be enhanced from 5 percent to 7 percent to encourage corporations to implement the CSR program. Besides, several awards have been established to support the efforts of corporations to implement this concept such as the Malaysia Prime Minister CSR Award, the Malaysian Environment and Social Responsibility Award and the Corporate Responsibility Award. Hence, CSR initiatives have been given recognition and encouragement for it to grow and be implemented by more corporations in the country. Accordingly, the outcomes and impact of CSR need to be identified to ensure the implementation fulfills the needs of the people in the country in general and to assist in the development of the community in particular.

Research and discussion on CSR initiatives in Malaysia are found more focused on the implementation of CSR initiatives by Malaysian business corporations as conducted by [Mohamed and Mohammad \(2007\)](#). These studies tend to look at the pattern and practices of CSR by corporations in Malaysia either by comparing its implementation by years or by the type of component of CSR responsibility that has been implemented by the corporations in Malaysia. The implementation of CSR initiatives by business corporations in Malaysia was reviewed through CSR reporting information by business corporations in Malaysia. The results of these studies found that there was an increase in the percentage of CSR reporting made by business corporations in Malaysia year after year based on annual report information issued or CSR special report by the business corporations. A study by [Prathaban and Rahim \(2005\)](#) on 100 companies in Malaysia from July 2003 until December 2004 found that business corporations have allocated a total of RM82.1 million for assistance to the community. These funds have been used to improve education, sports, religion, donations to orphans and NGOs. The study of [Hamid and Atan \(2011\)](#) also assessed similar issues by examining the social reporting patterns of three leading communications companies

in Malaysia. The study also found that the CSR initiative reporting of these companies from 2002 to 2005 were geared towards the issue of community engagement as compared to environmental issues and human resources.

Most of these studies have obtained CSR information resources from the annual reports provided by business corporations. However, research by Blowfield (2007) found that the bodies overseeing reporting activities made by business corporations such as the ACCA (Association of Chartered Certified Accountants) have acknowledged the weakness of the annual report of the company as the medium information for the CSR efforts as the reported information is focused on environmental issues than social issues. This situation has contributed to the constraints to see the benefits of CSR efforts that have been implemented by business corporations in Malaysia to the community in this country if the existing research is only examining the information specified in the company's annual report.

## 7. CSR contribution to community development in Malaysia

This study examined a CSR initiative by a Multinational Enterprise (MNE) in Malaysia to the local farmers in Pasir Putih Kelantan Malaysia. The CSR initiative has been carried out since the year 1994 by the MNE. It revolves around a chili contract farming project between the local farmer's community and the MNE in collaboration with the Local Farming Associations. Through this CSR initiative, the local farmers are given the opportunity to undertake commercial chili cultivation project and their crops will be sold to the MNE. The Farmers Association and the MNE will jointly monitor the farmers' farming activities to ensure that it is in accordance with the Good Agriculture Practices (GAP) method and is able to be exported abroad. A total of 45 farmers who participated in this program have been selected and interviewed to get their views of the CSR project. The interview results were analyzed using the thematic network analysis method with the help of Nvivo12 software.

The results showed that out of 45 farmers that had been interviewed, 20 percent are below 50 years of age while the rest (80 percent) are between 51 to 80 years old. The result shows that this group of farmers is among the elderly in the community. Studies have selected 15 informants who were involved with this project for more than ten years, 15 who were involved for less than ten years but more than five years, while the remaining 15 are farmers who were involved for more than one year but less than five years. This selection was made to ensure the interview results include different years of experience of the informants. The results of this study indicated that there is an active involvement of the community to the CSR project based on the years of their involvement. This involvement is a good indicator to show potential community development

efforts within communities and indirectly deny the project as being philanthropic. The project is also in line with the culture of the community involved which mostly touches on farming activities. The interview narrative of the informant explains how farming activity runs in their family generation after generation. They love farming and farming is part of their life. This narrative helps in understanding how the CSR activities proposed to the community addressed their culture as suggested by Frynas (2005) and Fox (2004). This factor also explains on the sustainability of the project which is the opposite of the finding of Idemudia and Ite (2006) on the Grameen bank project to the African community which failed due to the constraints faced in regards to the incompatibility of the project to the culture of the recipients or participants.

Analysis of the interview narrative found five themes of benefit from the involvement of farmer communities in this CSR project. These benefits include 1) Opportunity to establish relationships and cooperation between farmers and also with farmers' organizations and the MNE. 2) Opportunity to improve skills in cultivation techniques 3) Opportunity to have a job as farmers 4) Opportunities to raise income through big-scale farming 5) Improvement in the ownership of assets in the form of vehicles, machines and cash. These themes reflect on the outcome of the CSR project to the community that participated in the project. Hence, this study subscribes to the requirement of empirical studies that are able to give more information on the outcome of the CSR initiative by the business corporations to the community (Muthuri, 2007a)

A more detailed study of these emerging themes from the aspect of job opportunity and an increase of income found that there are farmers who do not have a job and fixed income before joining the project. To them, the project is not only their source of income but also has transformed them from an individual with no job in their village to becoming a big scale chili farmer. The farmers got the opportunity to cultivate at least 1,000 chili plants for this project, and the MNE will buy their crops. MNE has contributed to solving their problem in marketing their crops. The study found that the minimum income of these farmers has risen from zero income to USD250. This situation would help to reduce poverty among the farmers and eventually shows how CSR initiatives by the corporation are able to assist the local community in reducing poverty in the local community. The result of this study has given enlightenment on the contribution of CSR initiatives to the local community in terms of developing sustainable economic activities, local community income, commercial farming activities and also solving local farming issues pertaining to the market for their crops. These elements will eventually help the community to get out of poverty.

Another interesting finding to discuss is on the benefits of improving cultivation skills among the farmers. The results of the interview have identified

the opportunity to increase cultivation skills among participants consisting of opportunities to improve the skills of fertilizing, poisoning, managing plants on a large scale and also managing plants according to the GAP standard. The farmers obtained these skills from farmers gathering, training and planting experiences. Their skills have yielded plants that meet GAP and are suitable to be exported abroad. Hence, this group of farmers has been referred to by several groups of farmers in the country particularly in the area of farming management of vegetables. The results of this study indicate that community capacity building is being developed through this project resulting from skills training and planting experience. This result demonstrates the potential of CSR to develop human capital within the community as proposed by Barney (2003). Indirectly, this skill that they obtained has also empowered the farmer's community when they have become a source of reference in cultivation activities for other local farming communities. The skills would not have been obtained without the active involvement of the community as discussed by Idemudia (2009) as mutual responsibility of the community. Thus, the action of the farmer's community is in line with the definition of community development by the United Nations that stresses on the importance of community roles in achieving community development. The participation of the farmers in this study indicates that the farmers do not only act as recipients of the CSR initiatives but together with the MNE to ensure the successful implementation of said project.

## 8. Conclusion

Through the implementation of the CSR concept, business corporations globally have made efforts to contribute to the community by helping the government to carry out social responsibility initiatives to the community to address poverty issues and assist in building community capacity in society. The contribution of business corporations to the community has been growing as some communities see CSR initiatives as a necessity for development purposes. At the same time, the review on the implementation of the CSR strategy has prompted criticism on the fairness to recognize the implementation of this initiative for community development. Implementation of philanthropy-based CSR is capable of assisting in developing the community. Hence, the discussion of the purpose and implementation of the CSR needs to be seen in a broader context to meet the requirements in ensuring it could assist in achieving SDG objectives. In discussing the concept of CSR and community development, the factors that address the issues of implementation strategies, outcomes and community need to be highlighted. In this regard, community development definitions focusing on community involvement and initiatives should also be discussed to ensure CSR initiatives are not only philanthropically implemented but meet the needs of

the community with their involvement and initiative. If all of these factors can be combined, then the CSR should be considered as a relevant and potential venture for the community's development.

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## Compliance with ethical standards

## Conflict of interest

The authors declare that they have no conflict of interest.

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