Peer Reviewed – International Journal

Vol-6, Issue-1, 2022 (IJEBAR)

E-ISSN: 2614-1280 P-ISSN 2622-4771

https://jurnal.stie-aas.ac.id/index.php/IJEBAR

THE INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY ON THE IMAGE OF COMPANIES DOING CSR IN KUNMING

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Abstract:

This paper takes the Kunming Company as an example to analyze the impact of corporate social responsibility on corporate image. In this study, corporate governance, quality of life of employees, responsibility to consumers, community and social development as the background of the research; Corporate social responsibility on the uniqueness of the company, products and services, corporate reputation, corporate interpersonal image is the focus of the analysis. The research data were collected from various groups of companies in Kunming by means of questionnaires. The results of this study show that while creating profits and assuming legal responsibilities to shareholders and employees, enterprises should also make contributions to the environment, consumers and society. At the same time, corporate social responsibility has a profound impact on all aspects of the corporate image, corporate social responsibility also affects the development prospects of a company.

Keywords: Corporate social responsibility; Influence; The enterprise image

1. Introduction

The current situation of Chinese enterprises to fulfill their social responsibility is as follows: first, there are less four kinds, and second, three kinds are more. If the four types are arranged from low to high, the first plant is the lowest layer, the fourth plant is the highest layer, olive shape, or from onion to olive shape development. Chinese enterprises' social responsibility can be divided into four types: Disregard society but seek profit type, Profit is the main social auxiliary type, Profit and social and return to society to gain profit type. Some businesses believe that the sole responsibility of a business is to make a profit, and as long as it is profitable, it is reasonable. Driven by this concept, the manufacture of fake and shoddy products, wages in arrears, tax evasion... Due to the weak awareness of social responsibility of many enterprises in China, plus labor surplus, labor protection laws and regulations are not sound and other factors, some multinational corporations take the opportunity to exploit workers in China, such as Nike's "sweatshop" incident. Failure to fulfill social responsibility will inevitably lead to damage to the corporate image (Fang, 2009).

Such enterprises put profit in the first place and unconsciously fulfill their responsibilities for the society and the people while making profits. For example, enterprises innovate products to reduce costs and improve competitiveness, while also providing new

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products to the public (Tarsakoo & Charoensukmongkol, 2019). These companies are in the beginning stages of building a corporate image (Dong, 2012).

This kind of enterprise goes a step further than the former kind. They put profit and society on the same important position (Pechinthorn and Zin, 2020). While getting profit, they also consider what impact it will have on society and stakeholders (Vaitoonkiat & Charoensukmongkol, 2020). When formulating business strategy, we will take social responsibility into consideration, weigh the pros and cons, and finally make a decision. Compared with the former type, the performance of social responsibility by enterprises from passive to active transfer. This kind of enterprise has realized the importance of corporate image to the development of the enterprise and hopes to further improve the corporate image through efforts. This is the type of business of the highest standard -- putting social responsibility first, giving back to society as its own duty, and making due profits by giving back to society. Such enterprises generally have strong strength, excellent reputation in the industry, and harmonious relations with stakeholders (Li, 2005). For example, Alibaba's "Ten Thousand Enterprise Project (lowering the threshold to help ten thousand enterprises to carry out e-commerce)" and "Taobao Grand Strategy (expanding domestic demand and creating one million jobs)" make use of their professional advantages to make profits and achieve sustainable development while fulfilling their social responsibilities.

2. Literature Review

2.1 Concepts and Theories of Corporate Social Responsibility

Corporate social responsibility, as an incentive mechanism, is a new revolution for business management, but also the source of power to improve the ability of enterprise development. Establish a corporate image to enhance competitiveness.

Although a certain amount of social responsibility will increase operating costs in the short term, it is undoubtedly conducive to the establishment of a good image of the enterprise (Koirala & Charoensukmongkol, 2020), the formation of intangible assets of the enterprise, and the formation of competitive advantages of the enterprise, and ultimately bring long-term potential benefits to the enterprise and promote enterprise innovation.

The focus on social responsibility will drive companies to innovate in products, designs, processes, management and systems, and promote the transformation of their ways of profitability and growth. By improving production efficiency, changing the mode of production, broadening the field of innovation, improving the management environment and developing circular economy, so as to obtain greater profits. For the sustainable development of the enterprise to win a good external environment.

Social responsibility is the unity of corporate interests and social interests. The behavior of an enterprise to undertake social responsibility is a "mutually beneficial" behavior to maintain the long-term interests of the enterprise and meet the requirements of social development, which can create a broader living space for itself. Promote the construction of excellent corporate culture.

As a new content of corporate culture, corporate social responsibility reshapes and innovates the values of corporate culture and promotes the construction of corporate culture. As a kind of value system of enterprises, corporate culture promotes the construction of corporate social responsibility to a new theoretical height and a higher cultural level.

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2.2 Concepts and Theories of Organization Image

Organizational image refers to people's global impressions of an organization; it is defined as people's loose structures of knowledge and beliefs about an organization. Organizational image represents the net cognitive reactions and associations of customers, investors, employees, and applicants to an organization's name. Accordingly, it serves as a template to categorize, store, and recall organization-related information.

2.3 Organizational image is a dynamic and profound verification of an organization's structure, culture and attributes. It communicates the organization's mission, the professionalism of its leaders, the quality of its members, and the role it sees itself in society. Organizational image is the combination of organizational self-understanding and organizational component's understanding of the organization. It is the reason for the existence of the organization as an independent group, and it points out the direction and significance of the entire organization's actions (Li and Zhu, 2019).

2.4 Companies doing CSR in Kunming

Ignoring corporate social responsibility

Generally speaking, many enterprises in Kunming ignore the fulfillment of CSR. At present, state-owned enterprises, especially central ones, have a good performance in the fulfillment of CSR, while small, medium and micro enterprises do not regard CSR as the focus of their operation, or even consider it unnecessary to fulfill CSR (Xiong, 2013). The reasons are mainly as follows: First, the traditional enterprise theory believes that the sole goal of an enterprise is to pursue profit maximization, the ownership and control of an enterprise belong to shareholders, and the managers of an enterprise are only responsible to shareholders and do not need to fulfill their social responsibilities; Second, small, medium and micro enterprises are under great pressure of survival, financing difficulties, industrial upgrading pressure, rising labor costs, rising raw material costs, and these enterprises on the edge of survival are unable to fulfill the high cost of corporate social responsibility; Three is the lack of performance of the corporate social responsibility of the atmosphere, some enterprises to fulfill social responsibility is a lot of fashion, these companies do not think to perform the social responsibility is the necessary to do, but in an event, under external pressure and made a one-time behavior, such as donations, this time once out of the event's environment, is not to continue.

Disregard employees' rights

There are many local enterprises in Kunming, but most of them do not carry out people-oriented management and ignore employees' rights and interests. There are prominent labor and capital conflicts, overtime, do not pay employees social security in accordance with the law and other problems, the safety of employees is not enough attention, a variety of mine accidents and work-related accidents frequently, such as 421 Yunnan Qujing Fuyuan Coal Mine gas explosion accident, which killed 14 people. After investigation, the accident is due to the ventilation management disorder, windless breeze operation caused by gas accumulation, encountered fire source explosion (Xiao and Xiao, 2014).

Lack of environmental responsibility

For a long time, the extensive economic growth mode has made China's unit GDP energy consumption and resource utilization rate far lower than the international average level. Some enterprises discharge waste at will, causing serious air and water pollution. Due to backward technology, 95% of China's garbage is disposed of by incineration or landfill, resulting in the threat of a garbage siege. The reason is mainly due to the illegal cost is low, the

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environmental pollution caused by the general enterprise only involve the administrative punishment, shall be fined, and the license, stop business operations for rectification, etc., it is understood that small and medium-sized enterprises in Kunming, in violation of environmental laws and regulations fined a maximum amount of 100000 yuan, and small and medium-sized enterprises to carry out environmental protection social responsibility spending every year is 300000 yuan. In the field of environmental protection, the cost of breaking the law is significantly lower than that of abiding by the law, which leads many small and medium-sized enterprises to plead guilty to fines rather than invest in pollution control.

The legal rights and interests of consumers are damaged

According to the "Survey on Consumer Rights Protection in the 20 Years since the Enactment and Implementation of the Consumer Protection Law" released by Chinese paper Fan Fan in December 2013, nearly 80% of consumers' legal rights and interests have been infringed to varying degrees; In the protection of consumers' rights, the protection of the right to know and the right to supervise is the worst. Among the 10 obligations of operators, the performance of quality assurance and true information provision is the worst. Electrical appliances, food and pharmaceutical products and other areas of the most concern to consumers (Yan, and Zhang, 2014). For example, frequent food safety incidents and the problem of fake and shoddy products have seriously damaged the health of consumers, easily causing social panic and triggering credibility crisis. Many companies today are short-sighted, pursuing short-term profits while ignoring integrity issues, and failing to reach even the most basic economic bottom line, let alone the social bottom line and the environmental bottom line.

Generally speaking, the current situation of the implementation of corporate social responsibility in Yunnan Province is far from ideal, and there are still many problems, and the reasons for these problems are also very complicated. Although some suggestions have been put forward above, it is difficult to discuss them all. At the same time, the situation of each enterprise is different, and the above suggestions are only put forward from the perspective of commonness, so enterprises should choose the appropriate way to fulfill corporate social responsibility according to their own characteristics (Yang, 2021).

3. Research Methodology

This paper adopts the method of random sampling and questionnaire survey. About 400 employees working in Kunming company were randomly interviewed, mainly in Kunming. The interviewees were investigated by gender, age, education level, salary and position. Draw conclusions by collecting data, analyzing and comparing data. The tool used for this information collection and research is questionnaire star, which is the most widely used, fastest and most effective in China (Zhou & Charoensukmongkol, 2021). Corporate social responsibility factors studied in this paper are corporate governance, quality of life of employees (Zhao, and Tong, 2018), responsibility to consumers (Zhou ,Xiao , and Luo, 2007) and development of community and society (Geng, Han, and Cui, 2008), which are also independent variables of this paper (Li, 2005). The factors affecting corporate image are mainly studied from four aspects: enterprise uniqueness, products and services (Luo, and Bhattacharya, 2006), corporate reputation and corporate interpersonal (Zhao, 2014). Cronbach's Alpha test was used to test the reliability of the questionnaire. CPDA data were used to measure the strength of the correlation coefficient between the two variables.

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4. Data Analysis Results

Table 1 Basic information of survey objects

Basic information of survey objects	Frequency	Percent Frequency
1. Sex		
□ Male	234	57.64%
□ Female	172	42.36%
2. Age		
☐ Less than 20 years	45	11.08%
□ 21 - 30 years	191	47.04%
□ 31- 40 years	103	25.37%
□ 41 - 50 years	51	12.56%
☐ Up to 50 years	16	3.94%
3. Education Degree		
☐ Less than Bachelor Degree	112	27.59%
□ Bachelor Degree	225	55.42%
□ Master Degree	57	14.04%
□ Doctor Degree	12	2.96%
4. Status		
□ Single	154	37.93%
□ Married	235	57.88%
☐ Others please specify	17	4.19%
5. Monthly Income (RMB:THB 1:5 Thai Baht)		
☐ Less than 5000RMB	125	30.79%
□5001- 10,000RMB	179	
□ 10,001 -15,000RMB		44.09%
□ Up to 15,000 RMB	55	13.55%
_	47	11.58%

As can be seen from Figure 4-1, most employees in Kunming enterprises are male, with a total of 234 employees, accounting for 57.64%. There are 191 employees aged between 20 and 30, accounting for 47.04%; The number of people with bachelor's degree at cultural and educational level is 225, accounting for 55.42%; In terms of marital status, 235 people were married, accounting for 57.88%; The number of people with average monthly income of 5001-10,000 RMB is 179 at most, accounting for 44.09%.

Table 2 Average value and standard deviation of corporate social influence factors refer to opinion level

to opinion tever					
Corporate Social Responsibility	$\overline{\overline{\mathbf{X}}}$	S.D.	opinion level		
Feature					
1.Corporate Governance	4.32	0.95	Important		
2.Quality Of Life Of Employees	4.39	0.97	Important		
3.Responsibility to Consumers	4.30	0.68	Important		
4.Community and Social development	3.77	0.85	Important		
Total	4.20	0.91	Important		

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Form table 4-2 it found that overall corporate social responsibility was average at the high-level (\bar{X} =4.20,S.D.=0.91) if considering each aspect in descending order it was found that quality of life of employee had the highest mean(\bar{X} =4.39,S.D.=0.97) follow by corporate governance(\bar{X} =4.32,S.D.=0.95) and responsibility consumer (\bar{X} =4.30,S.D.=0.68) Respectively.

Table 3 Average value and standard deviation of corporate image influence factors refer to opinion level

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Corporate Image Feature	$\overline{\mathbf{X}}$	S.D.	opinion level	
1.Unique	4.23	0.73	Important	
2.Product Service	4.20	0.69	Important	
3.Corporate Reputation	4.31	0.65	Important	
4.Interpersonal	4.19	0.63	Important	
Total	4.23	0.69	Important	

Form table 4-3 it found that overall Corporate Image Feature was average at the high-level (\bar{X} =4.23,S.D.=0.69) if considering each aspect in descending order it was found that Corporate Reputation had the highest mean(\bar{X} =4.31,S.D.=0.65) follow by Unique (\bar{X} =4.23,S.D.=0.73) and Product Service(\bar{X} =4.20,S.D.=0.69) Respectively.

The research results on the correlation between independent variables of "the impact of corporate social responsibility on corporate image" are shown in the following table 4

	Correlations				
	Corporate	Quality Of	Responsibility	Community and	VIF
	Governance	Life Of	to Consumer	Social	
		Employee		development	
Corporate	1				2.062
Governance					
Quality Of Life	.677**	1			2.089
Of Employee					
Responsibility to	.561**	.588**	1		1.925
Consumer					
Community and	.458**	.404**	.550**	1	1.505
Social	. 150	. 10 1	.550	1	1.505
development					
Image	.572**	.591**	.701**	.567**	
\mathcal{E}					

^{**.} Correlation is significant at the 0.01 level (2-tailed).

By table 4-4, researcher on "corporate social responsibility impact on corporate image" corporate social responsibility of the independent variable factor determined as four dimensions, corporate governance, staff quality of life dimensions respectively, dimension to the consumer responsibility, community and social development dimension of "corporate social responsibility on corporate image" has a positive influence, The correlation coefficient

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can reach between 0.567 and 0.701, indicating that the correlation between each independent variable is at the level of 0.01 significance. From the study on the correlation between four independent variables, it is found that the factor value (VIF) is between 1.505 and 2.089, and its value is less than 10, indicating that there is no multicollinearity between independent variables.

The multiple regression coefficients of independent variables of "the impact of corporate social responsibility on corporate image" are shown in Table 5 below:

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta	_	
(Constant)	1.185	0.133		8.92	0.000
Corporate Governance	0.096	0.036	0.123	2.66	0.008
Quality Of Life Of Employee	0.15	0.038	0.183	3.923	0.000
Responsibility to Consumer	0.333	0.036	0.408	9.125	0.000
Community and Social development	0.144	0.027	0.212	5.378	0.000

 $R^2=0.584$, $AdjR^2=0.580$

From shown in the table 4-5 above, it can be seen that corporate social responsibility independent variable factor determined as four aspects, corporate governance, quality of life of employee, responsibility to the consumer, community and social development dimension can together to "corporate social responsibility on corporate image", its decision coefficient value can reach 58%, equivalent to squared (R = 0.584), According to the survey data of the above multiple regression coefficients, the prediction equation can be written as:

Y (image) = 1.185 + 0.096 * X1 (corporate governance) +0.15*X2 (quality of life of employee) +0.333*X3(responsibility to consumer)+0.144 * X4 (community and social development)

5. Conclusion

From the research results show that the results are as follows: corporate social responsibility is mainly in four aspects, namely to corporate governance, quality of life, responsibility for consumers (Zhao, Luo and Xiao, 2007), community and social responsibility have an impact on corporate image survey research, the four aspects of research results have a positive impact, so corporate social responsibility has a positive influence on the enterprise image (Jin, 2021).

As for the investigation on the influence of corporate social responsibility on the image of companies doing CSR in Kunming, the researcher put forward the following suggestions for Kunming enterprises:

a. Dependent Variable: Image

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The most positive independent variable factors are the quality of life of employees and corporate reputation. Therefore, in order to establish a good corporate image, the management should pay attention to the quality of life of employees and corporate reputation (Jin, 2019). For example, the number of male employees is more than the number of female employees in Kunming enterprises, so it can be considered to put female employees in appropriate positions. Making employees satisfied with their work is conducive to improving work efficiency. The company provides employees with a safe and healthy working environment under the premise of fair and reasonable labor remuneration is conducive to the enterprise in the industry to establish a good reputation and reputation; It is very important for a company to establish a good corporate image to cultivate professional staff to provide customers with a series of high-quality services; Secondly, the company's internal governance system is unique to the company, which is also an important symbol that distinguishes it from other companies in the same industry.

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Peer Reviewed – International Journal

Vol-6, Issue-1, 2022 (IJEBAR)

E-ISSN: 2614-1280 P-ISSN 2622-4771

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