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SUSTAINABILITY OF CSR INITIATIVES IN THE PERSPECTIVE OF A CIVIL WAR AFFECTED SOCIETY: A SRI LANKAN EXPERIENCE

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ABSTRACT

Among many scholars in the world, one school of thoughts believe CSR should be used mainly as a social endeavor and the others think it should be linked to the corporate strategy for financial performance. This paper aims to observe how social endeavor approach of CSR initiatives leads to sustainability specially an environment where economic wounds are been settling and new opportunities are been evolving after a 30 year long civil unrest in a society. Pilot study revealed that over 70% of corporates in Sri Lanka are merely using CSR for charitable and social work and only 11% are practicing CSR for strategic purposes. The most important factor of all is the continuous support that a government and the society at large expect from corporates in rebuilding the economy in terms of selecting proper projects and the sustainability of those for betterment of corporates and the society. Therefore, the research focuses on the sustainability of CSR initiatives within the framework of social model. The social antecedents recognized in this model are social environment and biological environment and the study attempts to identify the core societal focus of those in building CSR initiatives for sustainability.

The study was done among the sample of 360 direct and indirect beneficiaries among 40 initiated projects of 40 corporates in Sri Lanka during 05 years after a long civil war and used primary collected data for analysis. The researcher has used frequency percentage to summarize, descriptive data analysis and structural equation methods to test hypotheses.

Interestingly, it was found that implementing CSR initiatives focusing merely benefiting the society do not support sustainability of those initiatives. In conclusion, it is advisable for corporates to rethink the existing approach merely for the sustainability of those projects and also it is important that governments too support those initiatives in rebuilding process.

Keywords: Social endeavor, CSR, sustainability, rebuilding, biological environment, social environment and strategic CSR