ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

Corporate social responsibility and building organizational resilience: literature review

Safae CHAOU, ***(Doctoral student)***
LEG Laboratory
Polydisciplinary Faculty of KHOURIBGA
Sultan Moulay Slimane University, Beni Mellal, Morocco

Mostafa OUBRAHIMI, ***(Full Professor)***
LEG Laboratory
Polydisciplinary Faculty of KHOURIBGA
Sultan Moulay Slimane University, Beni Mellal, Morocco

Adresse de correspondance :	Polydisciplinary Faculty of KHOURIBGA BP: 145 Khouribga Principal, 25000 Sultan Moulay Slimane University Beni Mellal, Maroc, 23000 Telephone: +212 523490359/ Fax: +212 523490354
Déclaration de divulgation :	Les auteurs n'ont pas connaissance de quelconque financement qui pourrait affecter l'objectivité de cette étude et ils sont responsables de tout plagiat dans cet article.
Conflit d'intérêts :	Les auteurs ne signalent aucun conflit d'intérêts.
Citer cet article	CHAOU, S., & OUBRAHIMI, M. (2024). Corporate social responsibility and building organizational resilience: literature review: revue de littérature . *International Journal of Accounting, Finance, Auditing, Management and Economics*, *5*(10), 227-243. https://doi.org/10.5281/zenodo.13907979
Licence	**Cet article est publié en open Access sous licence CC BY-NC-ND**

Received: July 24, 2024 *Accepted: October 04, 2024*

Corporate social responsibility and building organizational resilience: literature review

Abstract:

In a constantly evolving economic environment, Corporate Social Responsibility (CSR) and organizational resilience has become central themes for businesses. This article explores how CSR practices can enhance the resilience of organizations in the face of crises and disruptions. The goal is to understand how responsible initiatives influence companies' ability to adapt and maintain performance despite challenges.

To achieve this objective, we used a narrative literature review. This methodology allowed for the synthesis of existing knowledge on the concepts of CSR and organizational resilience by analyzing relevant definitions, theories, and available empirical studies. The narrative review provides a flexible and detailed overview of the themes, facilitating understanding without the constraints of more systematic approaches.

The study demonstrates that CSR significantly contributes to organizational resilience. Companies that adopt CSR practices improve their risk management, strengthen their reputation, and are better prepared to face crises. Empirical data shows that these practices enable organizations to maintain stable performance and adapt effectively to disruptions. CSR proves to be a strategic lever for enhancing companies' resilience.

The results suggest that businesses should integrate CSR practices to improve their resilience. However, the study presents limitations, such as the subjectivity of the narrative review and the lack of quantitative data, which could affect the robustness of the conclusions. These limitations highlight the need for more rigorous empirical research to confirm and extend the findings.

This article stands out for its integrative approach that links CSR to organizational resilience, providing an innovative perspective on their interaction. It enriches theoretical understanding by showing how responsible practices can be a strategic asset for resilience. The study offers valuable insights for researchers and practitioners, paving the way for future research and practical applications in risk management and sustainability.

Key words: CSR, Competitive advantage, organizational resilience, stakeholders.
Classification JEL: M00, M10, M14, M19
Paper type: Theoretical Research

ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

1. Introduction

Corporate Social Responsibility (CSR) has become a central concept in contemporary managerial discourse and practices. It emerges as a response to society's growing expectations of businesses, not only regarding their economic performance but also their social and environmental impact. Indeed, as corporate responsibility towards their stakeholders and society as a whole becomes an imperative, the question of how CSR contributes to strengthening organizational resilience is garnering increased interest.

The notion of CSR is often a source of debate due to its multiple dimensions and interpretations. According to Bowen (1953), CSR implies that leaders adopt strategies and practices aligned with the values and objectives of the community. This definition highlights the normative and ethical dimension of CSR, which goes beyond legal obligations to include moral and social commitments. In a more contemporary context, the ISO 26000 standard, published in November 2010, provides a detailed framework for understanding social responsibility. This standard defines CSR as the responsibility of an organization for the impacts of its decisions and activities on society and the environment. It encourages ethical and transparent behavior and aims to promote sustainable development by considering stakeholder expectations while respecting laws and international standards.

To fully grasp CSR, it is essential to explore various theoretical approaches. The normative approach, for example, prescribes best practices in CSR with the idea that it constitutes a model for contributing to a fairer society. Conversely, the interpretative approach seeks to understand the concept in the context of current societal and economic changes, while the constructivist approach examines how the concept of CSR has developed and how it can continue to evolve. Social exchange theory, notably defined by Blau (1964) and Gouldner (1960), also offers a useful framework for analyzing the relationships between organizations and their stakeholders in terms of reciprocity and trust.

Resilience, on the other hand, is a concept that, although originally associated with materials and psychology, is now applied to organizations. Organizational resilience refers to a company's ability to adapt and rebuild in the face of challenges and disruptions. It includes the ability to absorb shocks, adjust to changes, and maintain or restore essential functions. According to Coutu (2002), resilient companies are pragmatic, possess a shared value system, and know how to creatively leverage their resources. Hamel & Välikangas (2003) also identify four major challenges resilient companies must face: cognitive, strategic, political, and ideological.

In this context, the question of how CSR contributes to strengthening organizational resilience deserves particular attention. Indeed, CSR can play a crucial role in preparing companies for uncertainties and crises by providing them with tools to better manage risks and stakeholder expectations. Previous research, such as that by Godfrey et al. (2009), has shown that companies engaged in CSR practices benefit from an "insurance effect" that can mitigate the negative impacts of adverse events on their value and reputation. Furthermore, stakeholder theory, by emphasizing the importance of relationships with stakeholders, can offer perspectives on how a CSR orientation can enhance organizational resilience.

The primary objective of this article is to determine how CSR practices can strengthen organizational resilience. Specifically, we seek to understand how companies' societal commitments influence their ability to overcome crises, maintain stability, and seize opportunities in disrupted contexts. The central question is thus: How do Corporate Social Responsibility (CSR) strategies influence organizational resilience by enabling companies to better manage crises and unexpected challenges?

To address this question, we use a narrative literature review methodology. This approach allows for a qualitative and descriptive exploration of the concepts of CSR and organizational resilience, as well as an analysis of the available empirical and theoretical evidence on their relationship. The narrative review provides the necessary flexibility to integrate various relevant perspectives and observations, thereby facilitating a deep and nuanced understanding of the mechanisms through which CSR can influence organizational resilience.

This article will be divided into four parts. The first part, Conceptual Approach, will address the fundamental definitions of CSR and organizational resilience, as well as the ISO 26000 standard. The second part, Explanatory Theories, will explore theories related to CSR and organizational resilience, as well as common theories that could shed light on the relationship between these two concepts. The third part, CSR to Strengthen Business Resilience, will examine how CSR practices can support organizational resilience. Finally, the fourth part, Empirical Review of the Relationship between CSR and Organizational Resilience, will present an analysis of existing empirical studies on this relationship. This structured plan aims to offer a detailed and integrated overview of how CSR can contribute to organizational resilience in a complex and ever-changing environment.

2. CSR, definitions and standards:

2.1. Definition of CSR

The notion of CSR is the subject of much debate and questioning. First of all, Bowen (1953) presents CSR as an obligation on managers to implement strategies, make decisions and ensure practices that are compatible with the objectives and values of the community at large.

Since this contribution, several authors from different backgrounds have contributed to enriching the concept. Friedman (1970) reacted strongly, arguing that:

The social responsibility of business is to make a profit and that any other attitude represented an undue levy on the substance of the company, on the income of its shareholders and an obstacle to the smooth functioning of capitalism. This view was echoed by Friedman (1970) who argued that: Making a profit is socially incompatible with corporate social responsibility whose sole mission is to create capital, enabling investment and thus future job creation. Carroll (1999), one of the best-known authors of the Business and Society movement, spelled out its components: the company must first fulfill its economic responsibilities (to make a profit) and legal responsibilities (to respect the law), then assume ethical behavior (to be loyal and respectful in its business dealings) and, finally, tend towards philanthropic actions (to be a corporate citizen at the service of the community).

Indeed, CSR is a broad concept, as Ouriachi et al. (2021) have defined CSR as a complex concept, covering multiple notions, and any attempt at a strict definition would be doomed to failure.

Thus, the academic literature on CSR is very rich, making it difficult to arrive at a standard definition.

Corporate Social Responsibility (CSR) refers to a response to moral and ethical obligations and a comprehensive concern across economic, environmental, social, and societal dimensions. It also involves taking into account all stakeholders.

The evolution of CSR has also been marked by the increasing recognition of its strategic importance. Modern approaches to CSR emphasize the integration of ethical considerations into core business strategies rather than viewing CSR as a peripheral or merely philanthropic activity. This shift aligns with the views of (Kramer & Porter, 2006), who argue that CSR should be embedded within the company's business strategy to create shared value. This strategic integration ensures that CSR is aligned with the company's overall mission and objectives, promoting a more holistic and sustainable approach to corporate responsibility. Companies are now encouraged to embed CSR principles into their organizational culture, operations, and

ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

IJAFAME International Journal of Accounting, Finance, Auditing, Management & Economics

decision-making processes, thus enhancing their overall impact and fostering long-term value creation (Eccles et al., 2014).

Another significant development in CSR is the growing emphasis on stakeholder engagement and the incorporation of diverse perspectives into CSR strategies. Effective stakeholder management involves understanding and addressing the needs and expectations of various groups, including employees, customers, suppliers, and local communities(Freeman, 1984). This inclusive approach not only helps in building stronger relationships but also in identifying and mitigating potential risks ((Mitchell et al., 1997). By actively engaging with stakeholders, companies can better navigate challenges, enhance their reputation, and drive more meaningful social and environmental outcomes (Elkington, 1998).

2.2. Approaches to CSR

As Gond & Mullenbach-Servayre (2004) and Akremi & Igalens, (2008) show that, there are several theoretical approaches to CSR. can be seen as a means of regulating relations between society and the company, or as the result of a power relationship between stakeholders and the company. It can also be seen in terms of the cultural environment in which it must adapt, or finally, it can be the result of a negotiation between the company and society concerning values and social issues.

First, there is the normative approach, which has developed and advocated the best possible practices with the underlying idea that CSR constitutes a model for contributing to a better society. This approach is based on ethical principles, such as justice, fairness, and human rights. It asserts that companies must act responsibly because it is the moral thing to do, beyond any utilitarian considerations.

According to this approach, companies have obligations toward a wide range of stakeholders and are not merely economic entities aiming to maximize profit; they play a crucial role in society.

Secondly, the interpretative approach seeks to understand what the concept and movement represent in the contemporary evolution of our societies and their economic activities. This approach has several key aspects: firstly, the social construction that views CSR as a socially constructed aspect; the second aspect is the plurality of interpretations, which accepts that CSR can be interpreted in various ways. Thirdly, dialogue and negotiation are considered from an interpretative perspective within CSR.

The constructivist approach emphasizes how companies, in interaction with their stakeholders, actively construct the concept of CSR in specific contexts. Rather than following predefined norms, this approach argues that CSR is the result of a dynamic social process, where companies and their stakeholders continuously interpret, negotiate, and redefine what it means to be socially responsible.

CSR continues to be a vital and evolving field of study that challenges companies to align their operations with ethical and societal expectations. By integrating CSR into core strategies and embracing a more inclusive and strategic approach, companies can enhance their resilience, reputation, and overall impact (Drucker, 1984). Future research should explore how emerging trends and approaches in CSR, such as stakeholder capitalism (Harrison & Wicks, 2013) and sustainability-driven strategies (Holliday et al., 2002), can further shape the role of CSR in business practices. This ongoing dialogue will be crucial in advancing our understanding of CSR and its potential to create sustainable and socially responsible business practices.

2.3. CSR theories:

2.3.1 Social exchange theory:

Blau (1964) defines a social exchange relationship as a framework involving unspecified

obligations in which there are "favors that create future obligations not precisely defined in return for a return that cannot be negotiated but must be left to discretion".
And so that social exchange can develop. Blau (1964) argued that it is important for the giver to trust the recipient to fulfill his obligation, but that as trust develops, the recipient should not reciprocate quickly.
Gouldner (1960) stressed that the value of the investment is important in creating a reciprocal obligation, and over time, social exchange develops when both parties reciprocate valuable resources.
These insights into social exchange theory highlight the importance of trust and reciprocal investment in fostering long-term relationships. As trust is established, the nature of reciprocity evolves from immediate exchanges to more complex, long-term engagements. This dynamic is crucial in understanding how social and professional relationships develop and sustain themselves over time. For instance, (Molm, 2003) extended Blau's work by emphasizing how the timing of reciprocity affects the stability and quality of social exchanges.
In organizational contexts, the principles of social exchange can significantly impact employee engagement and organizational citizenship behaviors. When employees perceive that their contributions are valued and reciprocated by their organization, they are more likely to exhibit higher levels of commitment and discretionary effort. This reciprocal relationship fosters a more collaborative and productive work environment. (Wayne et al., 1997) demonstrated that high-quality leader-member exchange relationships positively influence employees' job satisfaction and performance, further underscoring the importance of reciprocal and trust-based exchanges.
Social exchange theory provides a foundational understanding of the dynamics of reciprocal relationships and trust. This theoretical framework can be expanded through normative theory, which explores how societal norms and values influence social exchanges. Normative theory, as discussed by (Homans, 1961; Parsons, 1951), posits that the expectations and obligations within social exchanges are shaped not only by direct reciprocity but also by broader societal norms and ethical standards. Future research should consider how normative factors influence the evolution of social exchange relationships and their impact on organizational behavior.

2.3.2 Normative theory:

Normative theory, as described by Pichault (2009), focuses on prescriptions or standards of behavior deemed desirable within organizations. Normative theory proposes guidelines on what actors should do to achieve objectives deemed morally or socially acceptable.
In the organizational context, this theory is often used to define ethical standards, governance policies or responsible management practices, based on values such as fairness, transparency and social responsibility. This theory plays a key role in shaping expectations within companies and guides practices to align the actions of organizations with accepted ethical and social principles.
Furthermore, normative theory emphasizes the importance of institutionalizing ethical norms and standards within organizational practices to foster a culture of integrity and accountability. By adhering to these prescribed standards, organizations are better equipped to build trust with stakeholders and maintain a positive reputation. This approach not only promotes ethical behavior but also enhances organizational effectiveness by aligning actions with societal expectations and legal requirements. As such, normative theory provides a framework for assessing and improving the ethical dimension of organizational behavior, ensuring that decisions and actions are consistent with broader societal values.
While normative theory offers valuable insights into ethical behavior and organizational standards, its integration with stakeholder theory presents a more comprehensive perspective. Stakeholder theory, as articulated by Freeman (1984), expands the focus from purely ethical

ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

considerations to include the interests and expectations of various stakeholders affected by organizational actions. This integration highlights how organizations can achieve not only compliance with ethical norms but also actively engage with and address the needs of diverse stakeholders. By combining normative and stakeholder theories, organizations can better navigate the complexities of modern business environments, ensuring that their practices are both ethically sound and responsive to the broader community. This holistic approach underscores the importance of balancing ethical standards with stakeholder engagement to drive sustainable and responsible organizational success

2.3.3 Stakeholder theory:

The stakeholder theory of Corporate Social Responsibility (CSR), developed by Freeman (1994), proposes that companies have obligations not only to their shareholders, but also to a wider set of stakeholders, such as employees, customers, suppliers, local communities, and the environment. This theory argues that to be truly responsible, a company must actively engage its stakeholders in its decision-making processes, balance their sometimes-divergent interests, and create shared value that benefits both the company and society. By adopting this approach, companies strengthen their legitimacy and long-term sustainability, while contributing to more inclusive and innovative social and environmental solutions.
Freeman proposed that companies should consider a wider range of actors (stakeholders) in their strategic decision-making, beyond just shareholders. This approach was quickly linked to CSR, as it corresponds to the idea that companies have responsibilities towards society, the environment and various stakeholders that are not limited to the pursuit of profit.
Several studies have examined how stakeholder engagement improves CSR practices. For example, the work of Morsing and Morsing & Morsing & Schultz (2006) shows that dialogue with stakeholders strengthens the legitimacy of CSR initiatives and improves companies' reputations.
The stakeholder approach is widely recognized as an essential component of CSR. The literature shows that this approach enriches CSR practices by fostering a more inclusive dialogue, improving companies' overall performance, and aligning economic objectives with societal expectations. However, challenges remain, particularly in terms of managing conflicts of interest and prioritizing stakeholders.

2.4. The ISO 26000 international CSR standard:

There are too many institutional CSR standards to list here, but it's worth taking a closer look at ISO 26000, as it is a governance standard that encompasses the main areas of CSR.
Since November 2010, the ISO 26000 guidelines have been published, defining social responsibility as "an organization's responsibility for the impact of its decisions and activities on society and the environment, reflected in ethical and transparent behavior that contributes to sustainable development, including the health and well-being of society, takes into account the expectations of stakeholders, complies with applicable laws and international standards of behavior, is integrated throughout the organization and is implemented in its relationships" (International Organization for Standardization, 2010).
This standard has therefore helped us to find an international consensus on the issue of corporate social responsibility, and more specifically on: The definitions, concepts and terms relating to CSR, The orientations and origins of these CSR terms, The main practices in terms of CSR, The responses and areas of action of social responsibility, The involvement and education, and the promotion of social behavior within organizations through strategies, practices and the sphere of influence (International Organization for Standardization, 2010).
The ISO 26000 standard sets out the principles of corporate social responsibility to help organizations contribute to sustainable development. These principles are Accountability,

Transparency, Ethical behavior, Respect for stakeholders' interests, Respect for the rule of law, Respect for international standards of behavior and Respect for human rights (International Organization for Standardization, 2010).

The ISO 26000 standard lays down guidelines for the central themes of CSR, which are themselves broken down into areas for action. There are seven central themes: firstly, the governance of the organization, human rights, then working relations and conditions, the environment, good business practices, consumer issues, and finally social commitment: aid for the development of local populations (International Organization for Standardization, 2010).

The ISO 26000 standard therefore provides a way of looking at the interactions between a company and its system from the perspective of integrated, independent issues in relation to its stakeholders (International Organization for Standardization, 2010).

ISO 26000's comprehensive framework not only sets out the key principles and central themes of CSR but also emphasizes the importance of integrating these practices throughout the organization. This approach ensures that CSR is not merely a set of isolated actions but a fundamental part of the company’s strategy and culture. By adhering to these guidelines, organizations can foster a culture of responsibility that aligns with international standards and meets the expectations of diverse stakeholders (International Organization for Standardization, 2010).

Furthermore, the adoption of ISO 26000 guidelines assists organizations in systematically addressing key areas of CSR, including governance, human rights, and environmental stewardship. This holistic approach enables companies to navigate complex social and environmental challenges more effectively, ensuring that their actions contribute positively to sustainable development and enhance their social legitimacy (International Organization for Standardization, 2010).

The integration of ISO 26000 principles into corporate strategy not only supports ethical behavior and stakeholder engagement but also contributes to organizational resilience. As companies increasingly face dynamic and uncertain environments, CSR practices based on ISO 26000 can serve as a foundation for building resilience by fostering trust, promoting transparency, and encouraging proactive management of social and environmental risks. This alignment with CSR principles thus enhances a company’s ability to adapt and thrive amidst disruptions, paving the way for further exploration of how corporate resilience can be strengthened through the ongoing commitment to responsible business practices.

3. Corporate resilience:

In the same way that CSR is becoming a very important topic and a preoccupation of companies, Resilience is becoming a topic of great concern in today's debates and for any organization. Because all researchers are trying to find solutions for companies to overcome crises.

3.1. Definition of resilience

The word "resilience" has its origins in the Latin "resilio", meaning "to return, to go back" Oxford English Dictionary (Oxford University Press, 2024). It is a term that originally belonged to the field of science, as it applied to materials. Generally speaking, a resilient material or system was one that had the capacity to return to a state of equilibrium after deformation (Holling, 1973). Resilience refers to the capacity for continuous reconstruction. Later, it was applied to psychology, referring to a person's ability to cope with adversity, overcome problems, and even be transformed by them (Masten, 2001). In psychology, resilience implied an ability to rise above misfortune and draw inspiration from it to turn it into something positive. For a man or woman, resilience is the ability to adapt in a positive way after suffering a trauma (Rutter, 1987). By extension in business, it has become the ability for an organization to overcome obstacles (Vogus & Sutcliffe, 2007).

ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

The concept of resilience in organizational contexts draws on these earlier definitions but incorporates additional dimensions. In business, resilience involves not only recovering from setbacks but also adapting and thriving in the face of ongoing challenges. Organizational resilience emphasizes the importance of flexible and adaptive strategies, which allow companies to maintain performance and growth despite disruptions (Vogus & Sutcliffe, 2007). This perspective extends beyond mere recovery, highlighting how organizations can use adversity as a catalyst for innovation and improvement.

Moreover, resilience is not only about bouncing back but also about adapting and evolving in response to challenges. This concept of resilience, particularly in organizational contexts, emphasizes the importance of proactive strategies and robust systems to manage and mitigate risks effectively. Organizations that embody resilience are often better equipped to handle disruptions, leverage them for growth, and sustain their operations in the face of adversity.

As a further consideration, exploring how organizational resilience can be systematically incorporated into broader corporate strategies presents a promising area for future research. Investigating how resilient practices can be aligned with CSR initiatives to foster both immediate adaptability and long-term sustainability could provide valuable insights. This intersection of resilience and strategic planning highlights the potential for creating comprehensive frameworks that not only address immediate challenges but also fortify organizations against future uncertainties, ensuring their continued success and growth.

3.2. Corporate resilience

The company is an organizational unit, subject to financial risks which can jeopardize its operations, and which sometimes cannot be controlled. The challenge for entrepreneurs is not just to be ready to face up to problems, but to have the necessary tools to overcome the situation and achieve their goals (Holling, 1973).

Resilience in business is the ability of the structure to recover from the constant changes it undergoes, to be able to identify and measure the usually unstable conditions of a system, and to transform them (Vogus & Sutcliffe, 2007). In other words, it consists in providing new ideas so that the company's ecosystem - made up of the organization, the people and the domains that make it up - can achieve the desired results in the face of adversity (Masten, 2001). The world is constantly changing, so organizations need to be ready to rebuild. Resilience also expresses the ability of a company or one of its departments to respond rapidly to uncertainty (Rutter, 1987).

In recent years, the concept of organizational resilience has gained prominence as businesses face increasingly complex and unpredictable challenges. Understanding resilience in a business context involves examining how organizations adapt and thrive despite disruptions. This perspective emphasizes the importance of not only recovering from setbacks but also leveraging them as opportunities for growth and improvement (Bhamra et al., 2011).

Key aspects of organizational resilience include the capacity for adaptive learning, flexibility in processes, and the strength of organizational networks. Adaptive learning allows organizations to integrate new knowledge and adjust strategies accordingly, while flexibility ensures that they can pivot in response to changing conditions. Strong organizational networks facilitate information flow and resource mobilization, enhancing overall resilience (Ishak & Williams, 2018).

To fully grasp organizational resilience, it is crucial to delve into its various dimensions, such as organizational culture, leadership, and operational flexibility. Organizational culture influences how employees perceive and respond to challenges, fostering a resilient mindset throughout the organization. Effective leadership plays a pivotal role in guiding the organization through crises, making strategic decisions, and maintaining morale. Operational flexibility refers to the organization's ability to adapt its processes and strategies in response to changing conditions. Understanding how these dimensions interact provides valuable insights into how businesses can build resilience and achieve long-term success. By examining these facets, we gain a more comprehensive view of how organizations can develop the capacity to withstand and adapt to adversity, as detailed in recent research on the subject (Bhamra et al., 2011; Ishak & Williams, 2018; Vogus & Sutcliffe, 2007).

3.3. Dimensions of organizational resilience

Business resilience, when studied in the context of Corporate Social Responsibility (CSR), integrates several dimensions that contribute to a company's ability to adapt, resist, and thrive in the face of socio-economic and environmental challenges.
Firstly, the Economic Dimension, as discussed by Bhamra et al. (2011), ensures sound financial viability to withstand economic shocks. This includes prudent resource management, income diversification, and financial risk management. It focuses on creating long-term value for all stakeholders, not just shareholders. This involves ethical business practices, strong governance, and a long-term strategic vision.
Secondly, the Social Dimension, highlighted by Ishak & Williams (2018), invests in the well-being, training, and development of employees. An engaged and well-prepared workforce is better able to cope with crises. This dimension also emphasizes maintaining strong and transparent relationships with stakeholders, including employees, customers, suppliers, local communities, and authorities. Good communication and mutual trust strengthen the company's ability to navigate through difficult times. Promoting inclusive and equitable practices strengthens social cohesion within the company and in its relationships with stakeholders.
Thirdly, the Environmental Dimension, as noted by Holling, (1973), involves using natural resources responsibly and sustainably to minimize environmental impact and prepare for the challenges of climate change. It also involves developing environmentally friendly products and processes that enable the company to remain competitive while meeting growing expectations in terms of sustainability (Vogus & Sutcliffe, 2007).
Business resilience, when examined through the lens of Corporate Social Responsibility (CSR), integrates several crucial dimensions that enhance a company's ability to adapt, resist, and thrive amidst socio-economic and environmental challenges. The Economic Dimension, as described by Bhamra et al. (2011), emphasizes financial stability, prudent resource management, and ethical practices to create long-term value for all stakeholders. The Social Dimension, highlighted by Ishak & Williams (2018), focuses on investing in employee well-being and fostering strong, transparent relationships with stakeholders, thereby enhancing social cohesion and crisis management. The Environmental Dimension, noted by Holling (1973), advocates for sustainable resource use and the development of eco-friendly practices to meet growing sustainability expectations. Finally, the Organizational Dimension, discussed by (Vogus & Sutcliffe, 2007), involves creating governance structures that support resilient decision-making, innovation, and organizational agility. Integrating CSR into these dimensions not only reinforces a company's resilience by aligning ethical practices and sustainability with its core operations but also positions it to effectively manage risks and adapt to evolving global challenges, thereby strengthening its overall resilience and long-term success.

4. CSR to strengthen corporate resilience

In this section, we present several hypotheses based on a review of the literature addressing corporate social responsibility (CSR) and organizational resilience. We examine how existing theories justify the link between these two concepts and propose a theoretical model to illustrate the interactions.

ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

4.1 CSR is linked to stakeholders

Freeman (1994), defines a stakeholder as "an individual or group of individuals who can affect or be affected by the achievement of organizational objectives." This definition underscores the interconnectedness of a company with its stakeholders, visualizing the organization as a central hub connected by spokes to various external and internal groups. This perspective shifts the focus from viewing the company in isolation to understanding it as part of a broader network of relationships. Such a conceptualization necessitates a rethinking of organizational strategy and management practices, as stakeholder theory not only examines the nature of these relationships but also the managerial decision-making processes that shape them.

When a company decides to adopt a stakeholder orientation, it benefits not only from the value created by productive relationships with a range of stakeholders, but also directly from an enhanced reputation within the community (Jones et al., 2007). According to resource-based theory, the corporate reputation generated by this attitude towards stakeholders is also a scarce resource.

In this sense, stakeholder theory and resource-based theory can be used together, as resource-based theory also emphasizes the link between stakeholder orientation and profitability (Barney, 1991). From the perspective of resource theory, sustainable competitive advantage is built from the path dependency derived from corporate reputation, the integration of stakeholder management into corporate culture (Jones et al., 2007), and the causal ambiguity that characterizes the gains from relationships between the company and its stakeholders.

In addition, the resource-based view complements this understanding by highlighting that stakeholder relationships can be a source of competitive advantage. Organizations that excel in stakeholder management not only gain favorable perceptions but also benefit from increased support and loyalty during challenging times. This positive reputation, built through consistent and ethical stakeholder engagement, strengthens the company's overall stability and operational continuity.

Hypothesis H1: Companies that proactively engage with their stakeholders enhance their organizational resilience by improving their reputation and their ability to respond to crises.

A study by Price Waterhouse Coopers (2002) of 140 major international companies shows that 70% of their managers are involved in CSR activities, mainly for the benefit of the environment and society. These include pollution prevention programs (91%), environmental management programs (88%), employee volunteering (77%), corporate community involvement (74%) and philanthropy (74%). The different aspects of CSR are treated differently by companies, and the social aspect seems to be less developed than the other aspects. These results are in line with those of a comparative study by Maignan & Ralston (2002), aimed at identifying the foundations, stakeholders and practices of CSR (in the USA, France, the UK and the Netherlands). The authors demonstrated the great heterogeneity of motivations and practices. In France, the motivations for CSR relate to the notion of performance (unlike in the United States, where values underpin CSR initiatives), and the actions carried out by French companies are more concerned with stakeholders linked to production processes (product quality or working conditions). In the United States, CSR programs are more concerned with the community (quality of life, education, etc.).

Viewing a company as a central hub within a network of stakeholders, as defined by Freeman 1994), shifts the focus from isolated operations to the broader web of relationships impacting organizational success. Effective stakeholder management enhances a company's reputation, creating a competitive edge and aligning with resource-based theory principles (Barney, 1991) Moreover, Maignan & Ralston (2002) highlight regional variations in CSR motivations and practices, emphasizing the importance of context-specific strategies. This understanding opens the door to the "insurance approach" to CSR, which posits that CSR activities serve as strategic investments that not only mitigate risks but also bolster a company's ability to handle uncertainties and crises. By viewing CSR through this lens, organizations can enhance their resilience, ensuring long-term stability and a robust response to challenges.

4.2 The insurance approach to CSR:

CSR encompasses a broad range of activities that impact various dimensions of risk management, not just institutional and reputational risks. While CSR is often perceived as primarily beneficial for enhancing corporate image, its advantages extend significantly beyond this narrow scope. CSR initiatives play a crucial role in managing risks associated with a wide array of stakeholders, including employees, suppliers, and environmental concerns. This expansive influence underscores CSR's capacity to function as a form of risk management, effectively serving as a safeguard against potential declines in corporate value.

The concept of CSR acting as a form of insurance against value loss is supported by empirical research. For instance, Godfrey et al. (2009) examined the impact of institutional CSR on investor reactions to negative events. Their study, which analyzed 178 legal or regulatory incidents affecting 160 US-listed companies from 1993 to 2003, demonstrated that firms with strong CSR credentials experienced less severe investor corrections when faced with adverse events. This finding supports the notion that CSR functions as a protective mechanism, mitigating the financial repercussions of negative occurrences by leveraging the positive reputation built through institutional CSR efforts.

Godfrey et al. (2009), test the hypothesis that investors would penalize a CSR-performing company less because they had a favorable assessment of it before the negative event occurred, reflecting a Halo effect. By studying 178 legal or regulatory events adversely affecting a sample of 160 US-listed companies from 1993 to 2003, the researchers demonstrate that institutional CSR activities help reduce investor correction when a negative event is announced. Thus, CSR acts as insurance against the loss of company value. The researchers note that this observed effect is logical in the case of institutional CSR and not for CSR activities with primary stakeholders such as employees, suppliers, and customers, as these activities follow a more transactional rather than insurance logic.

Lins et al. (2017) further support this concept, showing that CSR can indeed act as a buffer against initial declines in corporate value. Their study reveals that companies with robust CSR practices benefit from better protection against value declines during economic downturns. However, this protective effect is not indefinite; it tends to diminish with the occurrence of additional negative events. The insurance effect of CSR decreases with successive negative events, suggesting that the strength and continuity of CSR practices are crucial for maintaining this protective benefit.

Hypothesis H2: The implementation of institutional CSR practices acts as a form of insurance, reducing the negative impacts of crises on the company's value.

This hypothesis is based on the idea that companies investing in institutional CSR practices not only gain a better reputation but also exhibit greater resilience in the face of crises, which can mitigate the negative impacts on their value.

CSR encompasses a broad spectrum of activities that extend well beyond mere institutional and reputational risk management. While CSR is often associated with enhancing corporate image, its benefits are more extensive, playing a crucial role in managing risks related to various stakeholders, including employees, suppliers, and environmental concerns. This wide-reaching impact highlights CSR’s potential as a form of risk management, effectively acting as a safeguard against potential declines in corporate value. Empirical research supports the view of CSR as a protective mechanism. For example, Godfrey et al. (2009) demonstrated that firms with strong CSR credentials experienced less severe investor corrections following negative events, suggesting that institutional CSR can mitigate the financial repercussions of such events

ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

through the positive reputation it builds. However, their study also indicated that this protective effect is more pronounced for institutional CSR rather than transactional CSR activities. Complementing this, Lins et al. (2017) found that CSR can buffer against initial declines in corporate value, although its effectiveness diminishes with successive negative events. This underscores the importance of the strength and continuity of CSR practices in maintaining their protective benefits.

Integrating CSR with stakeholder theory highlights how companies, viewed as central hubs in a network of relationships, can enhance organizational resilience and stability. Stakeholder engagement, as outlined by Freeman (1994), emphasizes the importance of managing relationships across various stakeholders to strengthen corporate reputation and operational effectiveness. This aligns with Hypothesis H1, suggesting that proactive stakeholder engagement boosts organizational resilience by improving a company's crisis response and reputation. Additionally, the insurance approach to CSR demonstrates that institutional CSR practices can act as a buffer against value loss during adverse events, as shown by research from Godfrey et al. (2009) and (Lins et al., 2017). This approach supports Hypothesis H2, which posits that CSR functions as a form of insurance, mitigating the financial impacts of crises. To advance this understanding, a theoretical model could be proposed to explore how stakeholder engagement and institutional CSR practices interact to enhance organizational resilience and stabilize corporate value during crises. This model would provide insights into optimizing CSR strategies for improved risk management and long-term stability.

4.3 Proposition of a Theoretical Model

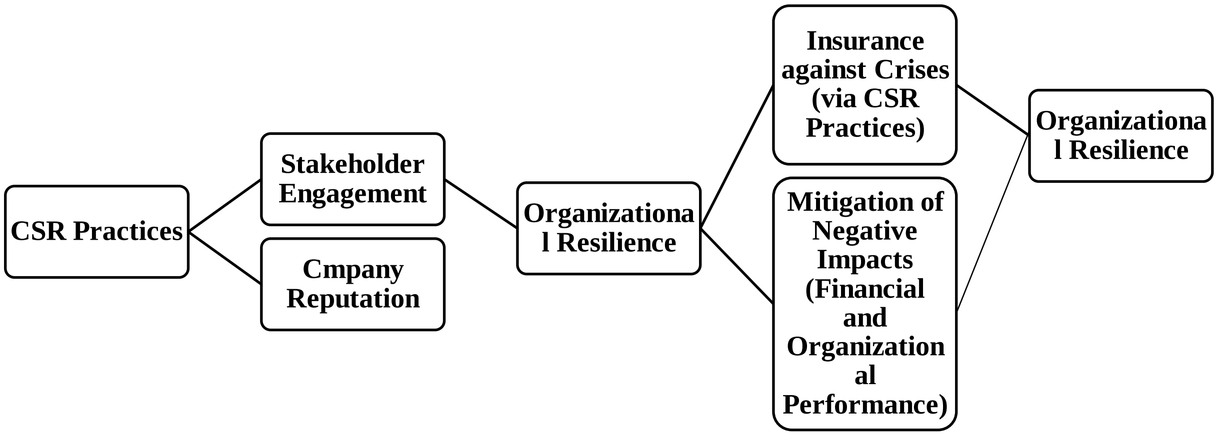
Based on the studies reviewed and the hypotheses formulated, we propose the following theoretical model to explain how CSR contributes to organizational resilience:

H1: Companies that adopt stakeholder-centered CSR practices demonstrate increased organizational resilience due to better risk management and enhanced reputation.

H2: The implementation of CSR practices as insurance coverage reduces the negative impacts of crises on financial and organizational performance, thereby increasing companies' resilience in the face of disruptions.

This conceptual model is presented in the figure below, where CSR practices are the independent variables and organizational resilience is the dependent variable. Mediators, such as the company's reputation and stakeholder engagement, influence the relationship between CSR and resilience.

Figure 1: Theoretical Model of the Relationships between CSR and Organizational Resilience



Source: Authors, based on the literature review

The proposed theoretical model illustrates how Corporate Social Responsibility (CSR) practices influence organizational resilience through two main mechanisms. First, stakeholder engagement, a central dimension of CSR practices, improves the company's reputation, which allows for better risk management and strengthens organizational resilience (H1). Second, CSR practices act as insurance against crises, mitigating the negative impacts on financial and organizational performance, which also helps increase resilience in the face of disruptions (H2). Thus, this model shows that the adoption of CSR practices, by improving reputation and providing protection against crises, enables companies to maintain stable performance and adapt more effectively to changes.

5. Conclusion

This article examined the relationship between Corporate Social Responsibility (CSR) and organizational resilience. We first defined CSR as an ethical and responsible framework within which companies must meet the expectations of their stakeholders and integrate practices that comply with international standards such as ISO 26000. We then conceptualized organizational resilience as the ability of a company to adapt to disruptions and strengthen itself in the face of challenges. The analysis of explanatory theories revealed that CSR and resilience are closely linked: CSR helps manage risks, strengthens the company's reputation, and improves responsiveness to crises. Finally, the empirical review confirmed that companies that adopt CSR practices exhibit increased resilience, thus validating the relationship between these two concepts.

The relationship between CSR and organizational resilience is evident in the findings of this article. By adopting responsible practices, companies not only improve their social and environmental impact but also enhance their ability to face crises and maintain stable performance. The integration of CSR practices proves to be a strategic lever for improving organizational resilience by making companies more adaptive and facilitating their response to external disruptions.

This article contributes to the literature by enriching the understanding of the interaction between CSR and organizational resilience. It offers an integrative perspective that links responsible practices to the adaptive capacities of organizations, thus providing a more comprehensive theoretical framework for analyzing how CSR initiatives influence resilience. The results underscore that existing theories on CSR and resilience need to be revisited to include the dynamics of their interaction.

The implications for future research are significant. The findings suggest that it is essential to explore more deeply the specific mechanisms through which CSR contributes to organizational resilience. Empirical studies in different sectors could provide valuable insights and validate the conclusions of this study. Furthermore, research using mixed methodologies, combining qualitative and quantitative analyses, could strengthen empirical evidence and offer a more nuanced understanding of the relationship between CSR and resilience.

This study has certain limitations, particularly the inherent subjectivity of the narrative literature review. By focusing on existing theories and studies, the article may not have captured all relevant perspectives. Additionally, the lack of quantitative data may limit the scope of the conclusions. Complementary empirical research would be necessary to address these limitations and provide a more comprehensive view of the relationship studied.

To enrich the understanding of the relationship between CSR and organizational resilience, it is recommended to develop an integrative theoretical framework that explores the interactions between these two concepts. Researchers should examine how CSR practices specifically influence the dimensions of organizational resilience and integrate mixed methodological approaches to obtain more robust and generalizable results.

References:

(1). Akremi, A. El, & Igalens, J. (2008). La responsabilité sociale de l'entreprise sous l'éclairage des critical management studies:vers un nouveau cadre d'analyse de la relation entreprise-société. *Finance Contrôle Stratégie*, *11*(3), 65–94. https://www.researchgate.net/publication/23935117

(2). Barney, J. (1991). Special Theory Forum The Resource-Based Model of the Firm: Origins, Implications, and Prospects. *Journal of Management*, *17*(1), 97–98. https://doi.org/https://doi.org/10.1177/014920639101700107

(3). Bhamra, R., Dani, S., & Burnard, K. (2011). Resilience: The concept, a literature review and future directions. In *International Journal of Production Research* (Vol. 49, Issue 18, pp. 5375–5393). https://doi.org/10.1080/00207543.2011.563826

(4). Blau, P. M. (1964). Exchange and Power in Social Life. In *John Wiley & Sons, Inc. New York*. John Wiley & Sons, Inc. New York.

(5). Bowen, H. R. (1953). Social Responsibilities of the Businessman. In *Harper& Brothers, New York* (1st edition). Harper & Brothers, New York.

(6). Carroll, A. B. (1999). Corporate Social Responsibility Evolution of a Definitional Construct. *Business & Society*, *38*(3), 268–295. https://doi.org/10.1177/000765039903800303

(7). Coutu, D. L. (2002). How Resilience Works. *Harvard Business Review*, *80*(5), 46–56. www.hbr.org

(8). Drucker, P. (1984). Converting social problems into business opportunities: The new meaning of corporate social responsibility. *California Management Review*, *26*(000002).

(9). Eccles, R. G., Ioannou, I., & Serafeim, G. (2014). The impact of corporate sustainability on organizational processes and performance. *Management Science*, *60*(11), 2835–2857. https://doi.org/10.1287/mnsc.2014.1984

(10). Elkington, J. (1998). Partnerships from cannibals with forks: The triple bottom line of 21st-century business. *Environmental Quality Management*, *8*(1), 37–51. https://doi.org/https://doi.org/10.1002/tqem.3310080106

(11). Freeman, R. E. (1984). *Strategic Management A Stakeholder Approach*. Pitman Publishing.

(12). Freeman, R. E. (1994). The Politics of Stakeholder Theory: Some Future Directions. *Business Ethics Quarterly*, *4*(4), 409–421. https://doi.org/10.2307/3857340

(13). Friedman, M. (1970). Friedman doctrine-The Social Responsibility of Business Is to Increase Its Profits. *The New York Times Magazine*, *13*(1970).

(14). Godfrey, P. C., Merrill, C. B., & Hansen, J. M. (2009). The relationship between corporate social responsibility and shareholder value: An empirical test of the risk management hypothesis. *Strategic Management Journal*, *30*(4), 425–445. https://doi.org/10.1002/smj.750

(15). Gond, J.-P., & Mullenbach-Servayre, A. (2004). Les fondements théoriques de la responsabilité sociétale de l'entreprise. *La Revue Des Sciences de Gestion: Direction et Gestion*, *205*, 93–116.

(16). Gouldner, H. P. (1960). Dimensions of Organizational Commitment. In *Source: Administrative Science Quarterly* (Vol. 4, Issue 4).

(17). Hamel, G., & Välikangas, L. (2003). The quest for resilience. *Harvard Business Review, Vol.81, n.9, p.52-63*, *81*(9), 52–63.

(18). Harrison, J. S., & Wicks, A. C. (2013). Stakeholder Theory, Value, and Firm Performance. *Business Ethics Quarterly*, *23*(1), 97–124. https://doi.org/10.5840/beq20132314

(19). Holliday, C., Schmidheiny, S., & Watts, P. (2002). *Walking the Talk The Business Case for Sustainable Development.* Greenleaf Publishing.

(20). Holling, C. S. (1973). Resilience and stability of ecological systems. *Annual Review of Ecology and Systematics*, *4*, 1–23.

(21). Homans, G. C. (1961). *Social Behavior Its Elementary Forms*. Harcourt, Brace & World.

(22). International Organization for Standardization. (2010). *ISO 260002010 - Guidance on Social Responsibility*.

(23). Ishak, A. W., & Williams, E. A. (2018). A dynamic model of organizational resilience: adaptive and anchored approaches. *Corporate Communications*, *23*(2), 180–196. https://doi.org/10.1108/CCIJ-04-2017-0037

(24). Jones, T. M., Felps, W., & Bigley, G. A. (2007). ETHICAL THEORY AND STAKEHOLDER-RELATED DECISIONS: THE ROLE OF STAKEHOLDER CULTURE. *Academy of Management Review*, *32*(1), 137–155. https://doi.org/https://doi.org/10.5465/amr.2007.23463924

(25). Kramer, M. R., & Porter, M. E. (2006). Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility. *Harvard Business Review*, *84*(12), 78–92. www.fsg-impact.org

(26). Lins, K. V., Servaes, H., & Tamayo, A. (2017). Social Capital, Trust, and Firm Performance: The Value of Corporate Social Responsibility during the Financial Crisis. *Journal of Finance*, *72*(4), 1785–1824. https://doi.org/10.1111/jofi.12505

(27). Maignan, I., & Ralston, D. A. (2002). Corporate Social Responsibility i n Europe and t he Insights from Businesses' Self-presentati. *Journal of International Business Studies*, *33*, 497–514. https://doi.org/https://doi.org/10.1057/palgrave.jibs.8491028

(28). Masten, A. S. (2001). Ordinary magic: Resilience processes in development. *American Psychologist*, *56*(3), 227–238. https://doi.org/10.1037/0003-066X.56.3.227

(29). Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). TOWARD A THEORY OF STAKEHOLDER IDENTIFICATION AND SALIENCE: DEFINING THE PRINCIPLE OF WHO AND WHAT REALLY COUNTS. In *Academy of Management Review* (Vol. 22, Issue 4).

(30). Molm, L. D. (2003). Theoretical perspectives on reciprocal exchange. In K. S. Cook, G. A. Fine, & J. S. House (Eds.), *Social Exchange Theory* (pp. 63–65). Routledge.

(31). Morsing, M., & Schultz, M. (2006). Corporate social responsibility communication: stakeholder information, response and involvement strategies. *Business Ethics: A European Review*, *15*(4), 232–338.

(32). Ouriachi, N., Talkhoukhet, D., & Bakhtaoui, M. (2021). Les facteurs influençant le transfert de la RSE entre les acteurs des chaînes de valeurs-cas des PME sous-traitantes Factors influencing the transfer of CSR between actors in value chains-case of subcontracting SMEs. *Revue Française d'Economie et de Gestion*, *2*(1). www.revuefreg.fr

(33). Oxford University Press. (2024). *Oxford English Dictionary* (Online Edition). Oxford University Press.

(34). Parsons, T. (1951). *The Social System* (First Edition). Free Press.

ISSN: 2658-8455
Volume 5, Issue 10 (2024), pp. 227-243.

(35). Pichault, F. (2009). Gestion du changement perspectives théoriques et pratiques. In E. Friedberg (Ed.), *Bruxelles : De Boeck* (Première, Vol. 1). Éditions De Boeck Supérieur.

(36). Rutter, M. M. D. (1987). Psychosocial resilience and protective mechanisms. *American Journal of Orthopsychiatry*, *57*(3), 316–331. https://doi.org/https://doi.org/10.1111/j.1939-0025.1987.tb03541.x

(37). Vogus, T., & Sutcliffe, J. K. M. (2007). Organizational Resilience: Towards a Theory and Research Agenda. *2007 IEEE International Conference on Systems, Man and Cybernetics*, *33*(3), 3418–3422. https://doi.org/10.1109/ICSMC.2007.4414160

(38). Wayne, S. J., Shore, L. M., & Liden, R. C. (1997). Perceived Organizational Support and Leader-Member Exchange: A Social Exchange Perspective. In *Source: The Academy of Management Journal* (Vol. 40, Issue 1).