

# Designing a social responsibility reporting framework for listed companies

Parvaneh Alimohammadi, Zahra Yousefi Amin, Seyed Atafeh Hosseini, Seyyed Yusuf Ahadi Sarkani

*Department of Accounting, Firouzkoh Branch, Islamic Azad University, Tehran, Iran*

## Abstract:

**Purpose:** The purpose of this research is to develop a social responsibility reporting framework based on a content analysis of international reporting patterns for companies listed on the stock exchange.

**Design/methodology/approach:** This qualitative study employs content analysis to examine international corporate social responsibility (CSR) reporting practices. Data were collected from companies admitted to the stock exchange, and a systematic approach was used to identify key dimensions and indicators relevant to CSR reporting.

**Findings:** The research presents a comprehensive reporting model for social responsibility, comprising four main dimensions: value creation, corporate governance, social participation, and environmental protection. Sub-categories include aspects such as investment in valuable products, sustainable services, ethical governance, transparency, environmental stewardship, and compliance with social and ethical standards. These elements form the basis of a robust framework for companies to meet corporate governance guidelines.

**Practical implications:** This framework provides a structured approach to CSR reporting, aiding companies in aligning with corporate governance guidelines and enhancing transparency and accountability in their social responsibility practices.

**Originality/value:** This study contributes to the field by offering an initial model of social responsibility reporting specifically tailored for companies listed on the stock exchange, addressing both legal requirements and stakeholder expectations.

**Keywords:** reporting framework, accountability, social responsibility, corporate governance

## 1. Introduction

One of the most challenging issues in managing organizations in the last decade is paying attention to social responsibility and information in the relevant field. Social responsibility includes the activities an organization tries to perform in line with its social mission to affect society or the environment positively (Su, 2019). Considering the economic complexities and tight competition of organizations in the field of business, companies, in addition to earning profit and creating wealth, should follow up and follow the social demands and create a balance between the financial dimensions and the social responsibility of the business unit by observing the ethical values of the organization and the society. Therefore, social responsibility reporting has become one of the main topics of interest to researchers in the past few years.

Increasing social relations between companies and members of society and the essential role of the category of social responsibility to meet the needs of the company's stakeholders on the one hand and the increasing development of the information needs of shareholders and the inability of traditional financial reporting by presenting annual financial statements to meet the said need is the primary challenge in the field of social responsibility reporting. ; In other words, with the expansion of commercial activities in the world, the use of traditional reporting frameworks have deprived the company of the possibility of measuring and evaluating the actions of companies in the field of social responsibility and meeting the information needs of shareholders, stakeholders, and the government as the three main pillars of decision making

The purpose of establishing social responsibility is to allocate company resources to improve social welfare, which can be used to strengthen relations with the main stakeholders. Also, corporate governance principles help policymakers evaluate and improve the legal, regulatory, and institutional framework for establishing companies' effectiveness, efficiency, sustainable growth, and financial stability.

**Social responsibility reporting is a report that leads to** the disclosure of economic, environmental, social, and corporate governance information for the organization's stakeholders. The reporting above aims to increase transparency, improve brand value, reputation, and legitimacy, increase the power of competition with competitors, mark competitiveness, and motivate employees.

Moreover, supporting the control and information processes of the company, increasing the responsibility and accountability of organizations in front of society and stakeholders in different areas and the government. [In the past year, two basic measures have been taken in the field of social responsibility and sustainable development.](#) According to the sixth chapter of the corporate governance guidelines of the publishers registered with the Securities and Exchange Organization notified in December 2022, the companies admitted to the stock exchange are required to provide the necessary information in the areas of social responsibility reporting on their website with a sustainable development approach; Also, at the end of 2022, the draft of the sustainability reporting standard was prepared by the standards development department of the auditing organization and finalized based on the call for comments in 2023.

This research presents the social responsibility reporting framework, the components of examining global patterns and related changes, and the content analysis of concepts. In this research, an attempt was made to design the social responsibility reporting framework of Iranian companies using content analysis. In addition to the [valuable achievements of researches](#), the model provides basic requirements for implementing corporate governance guidelines and sustainability standards. This research also develops the literature on social responsibility reporting, and future researchers can use the results. Considering the position of social responsibility in answering to society, Although numerous international social reporting models have been presented since 1975, but in Iran, only the issue of social responsibility and the necessity of reporting has occupied a significant part of accounting studies. [Regarding the non-presentation of a specific format for social responsibility reporting in Iran by the relevant institutions](#) and the requirement of the Stock Exchange Organization since 2023 to disclose social responsibility measures in the interpretive report and the annual report of the board of directors of listed companies on the other hand, the need to research to present the reporting model of social responsibility for listed companies shows more and the innovation of the subject of this research.

The current research aims to present social responsibility reporting in Iran according to the latest international models and causal conditions, background, strategies, and consequences of reporting.. In this research, an attempt was made to design Iranian companies' social responsibility reporting framework so that practical applications for developing standards and guidelines related to social responsibility reporting will follow, in addition to the valuable achievements of previous studies.

The following presents theoretical foundations and research, research questions, methodology, and research findings.

## 2. Theoretical Principles and Literature Review

Many thinkers have studied the concept of social responsibility, and there are several definitions for companies, but there needs to be a universal agreement about it. Emeka-Okoli et al (2024) definition of 2024 mean providing information to the organization to make judgments about matters entrusted to society. Another definition is social responsibility, which identifies and responds to society's needs, ethics, and the environmental effects of an economic enterprise's activities (Liang and Chen, 2024).

As an essential part of the overall strategy of emerging organizations, corporate social responsibility integrates social and environmental concerns into their business strategies and voluntarily assumes responsibilities to stakeholders. This is a way through which companies assume their responsibility to provide benefits to society (Malhotra, 2024). On the other hand, the current concept of social responsibility is entirely material, and it is only implemented to perform activities related to increasing profits. However, companies That ignore the social and environmental concepts of social responsibility and focus only on increasing profits will not be sustainable (Dewi et al., 2024).

Corporate social responsibility is understood broadly and includes concepts and ideas such as corporate responsibility, corporate accountability, business ethics, corporate citizenship, responsible entrepreneurship, and sustainable development. The idea of social responsibility begins with the writings of Andrew Carnegie (1835-1919), the founder of Carnegie Steel Company, a capitalist and philanthropist from the United States of America. He presented two principles, namely, the principle of charity and the principle of supervision. He believed that these two principles were necessary for capitalism. The first principle was related to support for the unemployed, the elderly, and the sick. According to the second principle, merchants should act as guardians of their wealth for the rest of society.

Accounting literature regarding social responsibility issues and related areas has grown significantly in recent years. [The review of the aforementioned literature includes theories related to the disclosure of social responsibility and its reporting.](#) Researchers have repeatedly analyzed

and investigated these theories, presented as the theoretical foundations of social responsibility reporting, which we will discuss further.

### *2.1. Moral theory*

The moral foundations theory is a social psychological theory that aims to explain the origins and diversity of human moral reasoning based on inherent and modular foundations. This theory was first proposed by psychologists Jonathan Haidt, Craig Joseph, and Jesse Graham, based on the work of cultural anthropologist Richard Schuler. Based on this theory, companies should accept social responsibility as their moral commitment to the stakeholders and consider the principles and correct and ethical actions to achieve a good society. (Dewi et al., 2024)

### *2.2. Agency theory*

Another theory in the field of social responsibility is the agency theory. According to the mentioned theory, the potential conflict of interests between shareholders and managers is assumed. Based on this, managers make decisions that could be better for the interests of shareholders. This is a moral hazard due to the information asymmetry between managers and owners (shareholders). The separation of duties causes it. Owners need accurate information on environmental risk assessment, cash flows, ethical compliance in human resources, and stakeholders' interests (Damayanti et al., 2023)

### *2.3. Stakeholder theory*

The existing theories in the 1980s mainly had a production view of the organization and were incompatible with the changing nature of the environment surrounding the organization at that time. In 1984, Friedman proposed a new conceptual framework based on stakeholder theory. Friedman divided the company's stakeholders into two groups: primary stakeholders, including shareholders, creditors, government and customers, suppliers and employees, and secondary stakeholders. Secondary stakeholders can influence public opinion, including individuals, groups, and organizations not directly involved with the company. Stakeholders' theory includes two **ethical dimensions** and a **managerial dimension**. Stakeholder theory is a combination of organizational and social theories. Stakeholder theory as a management mechanism shows that a

company should consider the interests of all stakeholders who can affect or be affected by the activities of a company.

#### *2.4. The theory of legitimacy*

The theory mentioned is based on a social contract between the company and society, and the company must interact with society to keep its stakeholders satisfied. In other words, the legitimacy theory forces companies to respond to the demands of various stakeholder groups by legitimizing their activities (Bapuji et al., 2020).

#### *2.5. Institutional theory*

This theory points to the fact that the company's decisions regarding corporate social responsibility are not just instrumental decisions but have a broader meaning. Factors such as social beliefs and beliefs influence people's decisions by becoming practical behavioral elements.

#### *2.6. Signaling theory*

This theory suggests that corporate social responsibility has the same signaling effect among different environments. Considering the various institutional environments worldwide, corporate social responsibility and its reporting are tools to reduce information asymmetry. When institutional environments lack high-quality information to differentiate from other firms, relevant stakeholders must seek additional information to assess the firm's capabilities. According to the mentioned theory, the acceptance and disclosure of information related to corporate social responsibility should be used to cover additional information about companies' capabilities.

#### *2.7. Theory of social issues management*

Social accountability, or being responsive when facing and managing social issues, was proposed by Ackerman in 1973. In this concept, special attention has been paid to the reaction process of companies to social issues and crises. Management of social issues is trying to act as a warning and control system for potential environmental threats and opportunities, unexpected events, and crises. Crisis management means correct responses and decisions in dealing with natural disasters such as tsunamis, earthquakes, hurricanes, or other social and economic crises. During disasters and social and economic crises, how organizations can present benefits to society through their

humanitarian activities and colleagues has increased the attention of many researchers and managers (Mahmud et al., 2021).

This research is based on the theory of **social issues management**. It considers the role of accountability for social responsibility and the importance of its reporting in companies.

### 3. The empirical background of the research

Examining the **empirical** foundations of **the social responsibility reporting framework design** shows that most studies have been conducted on reporting above standards and the effect of disclosing social responsibility information on other social and economic issues.

Despite the limitation of conducting research in the field of presenting the model and framework of social responsibility reporting in Iran, many studies have been conducted in social responsibility reporting and expanding the concept of social responsibility as a tool for managing social crises in foreign countries; Also, in foreign countries, due to the institutionalization of the concept of corporate social responsibility, the established legal requirements and the nature of accountability of governments and companies in the context of the role of social responsibility in dealing with various crises, many studies have been conducted in this field, some of which are as follows:

Drobyazkol et al. (2020), by examining the "**strategic policies of companies in the field of social responsibility**," showed that there are five areas of social responsibility as follows: 1) the required level of social responsibility for legal obligations and 2) its developed level for active charity and support financial, 3) high level of social responsibility towards internal and external stakeholders, 4) strategic level of social responsibility focusing on social investment at the government level and **also** 5) synergy level of a comprehensive combination of all dimensions of social responsibility in the end, **level** and level of social responsibility motivation **Industrial companies**. In the form of a **three-dimensional positioning matrix model**, the level of development of business units in the coordinate system, including social, environmental, and economic components, has been determined to develop alternative scenarios to confirm management decisions.

Popkova et al. (2021) have **studied the category of corporate social responsibility as a "tool for social distancing in the coronavirus pandemic crisis and its comparison in developing and developed countries" during academic research**. The results of the **mentioned** research confirm the role of the government in the participation of companies in business. According to the research results, **as mentioned earlier**, the new duty of governments is to create suitable conditions for the



implementation of flexible mechanisms and indirect monitoring of the implementation of corporate responsibility. This necessitates public supervision and control over the implementation of social responsibility of companies with independent participation by audit institutions and assurance of published information. Due to the social distancing caused by the Corona epidemic, the social responsibility of companies has entered a new area of responsibility. In both developed and developing countries, one of the broadest manifestations of corporate social responsibility is entrepreneurship in telecommuting, and online purchasing of goods and services is recommended for consumers.

Chufama et al. (2021) confirmed the importance of corporate social responsibility and determined that social responsibility, along with the goal of profitability, is a strategy for regulating business relations with internal and external stakeholders and shareholders.

Navickas et al. (2021) found that social responsibility activities are implemented by companies worldwide as a response to social crises, regardless of the country's level of development. Companies with years of experience implementing social responsibility act responsibly towards their communities and people. The results show that the companies reviewed in this article help to implement social responsibility goals through social responsibility activities even in the crisis period.

Kanji and Agrawal (2016) have evaluated [the differences and convergences between the concepts and elements of evaluating social responsibility activities](#). The research shows that information disclosure and social responsibility reporting in different organizations are within the [framework](#) of each industry's strategy and business model.

Tahniyath and Elbanna (2023) examined 122 experimental models on reporting elements to unify the evaluation of executive activities in the said field. The results of the [mentioned](#) research have shown that social responsibility reporting as a part of sustainability reporting includes three axes of profit (economy), land (environment), and society (people), which are divided into five levels: individual, organizational, industry, national and international perspective.

Khan et al. (2023) showed that companies' benevolent and self-centered contributions positively affect their performance. This study helps us to understand how and under what conditions companies improve their performance by making non-governmental charitable contributions and reporting them, highlighting their important role in social responsibility accountability.



Nawrocki and Szwajca (2021) evaluated social responsibility activities in energy companies using a sustainable development approach. The evaluation was based on the indicators mentioned in the companies' annual reports in the above field from 2016 to 2021. These activities are classified into six categories: customers, investment, employees, society, stakeholders, and environment. Based on the research results **above**, the highest activities are related to customers and the lowest are related to the environment.

Poursoleyman et al. (2024) by using an international environment consisting of 5410 companies located in 24 countries, investigated **the performance of corporate social responsibility in the era of the epidemic and the results indicated the flexibility of companies**. The executive confirms the social responsibility against the adverse effects of the crisis. By comparing the shareholders' response to the activities during crisis periods, we observe that the relationship between social responsibility performance and company value is stronger during the crisis period.

Dewi et al. (2024) investigated **the formulation of the social responsibility model** based on Trihita Karana's philosophical values and its connection with Carroll's pyramid model. The survey results **above** indicate reporting models that follow society's culture, with the approach of more significant benefits and compliance with reporting expectations.

In 2023, Waris Ali, investigated the determinants and consequences of corporate social responsibility disclosure. This paper systematically analyzes and synthesizes the literature on the determinants and consequences of corporate social responsibility (CSR) disclosure. The study is unique in that it synthesizes based on the geographical setting of the original research. We analyzed 135 empirical studies published in Chartered Association of Business Schools (ABS) ranked journals from 1982 to 2020. The results reveal that various global, country-specific, market-specific, and firm-specific factors are important in determining a firm's CSR disclosure policies. These factors are consistently relevant in both developed and developing economies. Furthermore, the synthesis shows that companies achieve various CSR disclosure-related benefits in the form of a better reputation, enhanced financial performance, better access to external finances, better stakeholder management, and enhanced corporate accountability.

In 2023, Bingjie Wang, investigated the Developing a Conceptual Model of Corporate Social Responsibility of the Chinese Super League Clubs. corporate social responsibility (CSR) is seen as one of the key areas of sustainability for sport organizations. Although the rapid development

of professional sport is evidenced, the evaluation and classification of CSR is still an under-researched area, especially in the eastern context. This study proposes a conceptual CSR model of the Chinese Super League (CSL) clubs, including five dimensions: economic, youth, community, environmental, and cultural responsibility. The establishment of the conceptual model is based on sound theoretical foundations, such as sustainable development, positive youth development, a sense of community, and globalization theories. Each dimension's validity is assessed while considering the uniqueness of Chinese Super League. This study provides theoretical evidence to support the multidimensional nature of CSR, which adds value to CSR research in the Chinese professional sport context. At a strategic level, it enlightens club managers and the Chinese Football Association to develop better CSR strategies.

In 2023, Francisco Sanchez, investigated the Exploring the three-dimensional effect of corporate social responsibility on brand equity, corporate reputation, and willingness to pay. The fashion sector is considered one of the largest generators of the greatest negative externalities, and the results support this. However, they are making important efforts through actions within the framework of Corporate Social Responsibility to improve their commitment to society and sustainability. This research aims to evaluate the value that consumers place on Corporate Social Responsibility activities in the economic, social and environmental dimensions in the generation of brand equity, corporate reputation and willingness to pay. The findings show that each of the CSR dimensions contributes differently to the generation of BE, CR and WTP, also highlighting the value of brand credibility as a variable with an important mediating effect

### **3. Research Methodology**

This research aims to design a social responsibility reporting model for listed companies. This research is [exploratory](#) and uses [a qualitative content analysis approach](#). To carry out this research, reporting terms, social responsibility, social responsibility reporting models, concepts and theories of social responsibility, reporting indicators, and the effect of voluntary social responsibility reporting have been done by reviewing more than [fifty articles](#).

The most important reasons for choosing the qualitative approach are as follows:

- There are few examples of research subjects,
- The researcher trusts the knowledge and experiences of the interviewers in research in the relevant field.

- The researcher wants to challenge and expand the existing theories.
- The researcher's goal is to expand and develop a new theory.

#### 4. Data Analysis

Studying reporting models, social responsibility, and content analysis of texts, extracting concepts, coding, and categorizing led to achieving the principal dimensions and indicators of the social responsibility reporting model. According to the research, several reporting models have been presented by scholars over time, but they have yet to be localized in the country. The review and content analysis of the concepts of corporate social responsibility reporting models includes the models of Davis (1976), Carroll (1979), Wartick and Cochran (1985), Wood (1991), Lantos (2001), Claydon (2011) and Visser (2014). In this research, the main dimensions and indicators of the reporting pattern were determined by carefully studying the patterns, determining goals, finding common concepts and dimensions, and coding (open, central, and selective coding). In the following, we will review each of the mentioned models.

##### 4.1. The Davis model (1976)

Davis (1976) considers social responsibility as a feeling of obligation by the managers of private sector commercial organizations. He believes that they make decisions in such a way that, in addition to earning profit for the organization, the welfare level of the society is also improved. He described this concept as organizations paying attention to issues beyond their limited economic, technical, and legal requirements and responding to them. The mentioned model is based on five assumptions of society's welfare: open and respectful communication between organizations, economic possibilities, transfer of social cost of goods and services, and help to society.

##### 4.2. Carroll model (1979)

Based on this model, the company's social responsibility consists of four economic parts: obtaining profit (legal), complying with laws, ethical and humanitarian. In this model, economic responsibilities (profitability) are one of the most critical responsibilities of the organization. Legal responsibilities indicate that the organization must perform its economic activity within the framework of laws and regulations. The third responsibility of companies is moral responsibility, based on which companies are expected to consider the values and norms of society and respect

them. Finally, **philanthropic responsibilities** refer to the company's voluntary activities. Carroll defined corporate social responsibility as the voluntary satisfaction of society's economic, legal, and ethical expectations over time and **a model of corporate social responsibility actions** consisting of **three groups** of **economic, legal, ethical,** and **(4)** voluntary/philanthropic responsibilities, social accountability, and problem management. According to Carol's opinion, **this pyramid depicts the conceptual model of corporate social responsibility**, and this model shows all areas of corporate social responsibility distinctly and yet together. The components of this model have decreasing importance in terms of hierarchy. Based on this, economic responsibility is the foundation, and all other responsibilities imply economic responsibility (Hasas Yegane And Barzegar, 2019).

#### *4.3. Wartick and Cochran (1985)*

In 1986, Wartick and Cochran developed the social model of the organization. According to them, the organization's social performance is social responsibility, social accountability, and public issues management. The basis of Wartick and Cochran's model is, first, the nature and philosophy of existence and the necessity of social responsibility based on its different dimensions from the perspective of organizations. Reaching the following stages and practical attention and action in the direction of social responsibility will be possible and fruitful for the organization when it is accepted as a social duty in the perspective and attitude of the organization. Based on the attitude about social responsibility, the organization chooses a strategy that fits its attitude toward social accountability and then manages public issues.

#### *4.4. Wood (1991)*

In 1991, Wood extended the company's social performance model beyond the identification of different types of responsibility to examine dimensions related to the motivational principles of responsible behavior, including institutional, organizational, and personal principles (the process of responsibility includes environmental assessment, stakeholder assessment and management dimensions and its performance results including social effects). He refined social programs and social practices. He introduced the company's social performance as a product of the basic principles of social responsibility. This model led to much progress in social responsibility research. Based on Wood's model, responsibility constitutes a practical dimension. It requires complementary instructional and motivational components for social responsibility.

#### *4.5. Lantos (2001)*

Lantos (2001) stated three unique types of CSR legitimacy based on the necessary versus optional nature (and whether there is a valuable purpose for stakeholders, the company, or both that the business can pursue and decide on the legitimacy and responsibility of responsible factors). Social needs to distinguish between these three types: ethical, altruistic, and strategic corporate social responsibility. Even if the company does not benefit from this type of responsibility, it is still mandatory and goes beyond fulfilling economic and legal obligations. To avoid social harm, companies must act ethically and minimize the harm caused, for example, if a company decides to reduce and stop selling or change the source of its raw materials. The change should consider that this temporary change of location could create problems for some employees.

#### *4.6. Claydon's customer-centric model (2011)*

In 2011, Caledon introduced a new model of corporate social responsibility called customer-centric responsibility. According to this model, to achieve profitability goals, consumers' demands for social responsibility must be met. In this case, the company, while making a profit, in addition to participating in socially and environmentally responsible behaviors of the company, due to its commitment to social responsibility, has achieved a high reputation and credibility in the public space and expanded its customer base, which means increasing the number of socially responsible companies. This leads to more customers and, in turn, more profitability, and the cycle continues.

#### *4.7. DNA model. Corporate Social Responsibility and Sustainability*

Visser (2014) has proposed a new corporate responsibility and sustainability model, which he calls radical, systemic social responsibility. This model is like previous models, but it integrates existing knowledge in the field of social responsibility. This model has four columns of responsibility and represents the four nitrogen columns of DNA. (adenine, cytosine, guanine, and thymine). According to this model, the four pillars are responsibility, value creation, good governance, social participation, and environmental integrity. Each of these bases has a primary goal, and each goal, in turn, has key indicators.

A review of the studies conducted in the last two decades shows that in the field of social responsibility, within the framework of the concepts of social responsibility, effective indicators in

reporting, the relationship between reporting and company value, and sustainability reports have been carried out in Iran. The results of recent studies have led to the acquisition of useful information about the underlying concepts, information elements, and content of social reporting, the relationship between corporate social responsibility and the response of businesses, and the role of social responsibility in organizations' accountability; However, no action has been taken regarding the presentation of the executive framework of social responsibility reporting in the country according to appropriate international models. Due to the lack of a social responsibility reporting model, an attempt was made in this research to investigate international reporting models to provide social responsibility reporting. The added value and innovation of this research compared to the studies done is to propose a social responsibility reporting model for listed companies using the content analysis of international models, to code concepts, to categorize and analyze the results, and to provide a framework of social responsibility reporting dimensions and indicators.

The results of social responsibility reporting research conducted in Iran during the last two decades show that companies need to disclose social responsibility activities adequately. Based on the investigation, most disclosures are related to economic activities, and the least disclosure is related to the indicators in the environmental dimension. Due to the importance of information disclosure in complying with environmental issues of social responsibility, information disclosure of listed companies still needs to be done thoroughly. According to the provisions of the corporate governance guidelines of the publishers registered with the Securities and Exchange Organization, announced in December 2022, all listed companies must disclose the expenses incurred in this regard in the explanatory report and the annual activity report of their board of directors in a specific heading separately under the title of sustainability report. The action mentioned above and the audit organization's preparation of the sustainability reporting standard since 2022 can be considered the first step in providing the necessary platform to disclose social responsibility reporting information in Iran.

#### *4.8. Content analysis of reporting models and presentation of social responsibility reporting model*

##### *4.8.1. Open and axial coding*

*The result of coding is to retrieve a set of related concepts created from the data And in the phase of axial coding, the components are formed. In order to achieve the goal of the research by using*

*the content analysis method, a detailed study of all the articles related to the reporting patterns mentioned in section 5 has been done. The extracted concepts are reviewed and A code was assigned to each explanatory sentence or phrase. After extracting concepts, they were grouped based on similarities and differences And in the central coding stage, relevant concepts were extracted and categorized in the form of categories. The coding results of the content analysis of the mentioned models including 61 concepts and 11 categories in the form of categories with related concepts are as described in table number one below:*

**Table 1.** Titles, concepts and categories of social responsibility reporting models; Source: (research findings)

Title of the category	The title of the concept	Number of codes	Abundance (%)
Economic	The economic growth of the company	10	21
	Increasing the company's profit	5	12
	Increasing the stock price,	2	15
	Improving financial ratios	2	12
	evaluating the performance of employees based on the economic performance of their unit or the organization	5	10
	The desire and tendency towards short-term financial results) instead of long-term social goals	2	10
	Tactical cost savings	5	10
Philanthropic or generous	Organizational culture and targeting by the board of directors to advance charity affairs	10	10
	Fulfilling the duty of social responsibility and an organizational culture of helping the society and "doing one's right to the society	15	21
	Participation of personnel in charity projects by providing the relevant costs,	20	14
	Institutionalizing charity donation through A charitable foundation or fund	6	2
	The allocation of funds to help manage the organization's corporate social responsibility activities by the person responsible for charitable contributions or social projects.	51	20
Advertisin 88	Media coverage of the organization's social responsibility activities	10	25
	The conceptualization of corporate social responsibility to strengthen brand equity	2	10



Title of the category	The title of the concept	Number of codes	Abundance (/.)
	public reputation or relations with stakeholders,, legal affairs, or marketing departmen	3	12
	Allocation of budget and unit personnel (public relations, legal affairs, or marketing department participation in annual institutional or country evaluations for ranking and Receiving corporate social responsibility awards	5	19
	Interviewing the CEO publicly or with the media about the organization's corporate social responsibility performance	2	14
Branding	Encouraging and educating our customers to buy degradable products	5	10
	producing your products and services with a recognized social, environmental, or ethical label, such as fair trade, organic, etc.	10	12
	Produce your products and services to directly serve the end of the economic pyramid: low-income markets.	2	4
	Participating in industry association agreements to promote social, environmental, or ethical standards.	5	12
	Complying with all financial, environmental, and social laws and guidelines	7	15
Strategic axis	ligning the organization's business with corporate social responsibility issues.	5	12
	Including corporate social responsibility in internal management systems (policies, goals, results, procedures, reviews, and reports).	12	25
	Provide quantitative progress and improvement of the organization in complying with social, environmental, and ethical performance and audit by independent third parties.	2	10
The axis of transformation and creativity	Clarifying the organization's failure to comply with social responsibility issues.	2	5
	Designing to solve a specific environmental, social, or ethical challenge by the organization.	15	25
	presenting your organization's corporate social responsibility performance as a key advantage in the markets in which it operates.	20	35
	Fundamental strategic changes of the organization are in line with social, environmental, or ethical issues.	5	7
	sustainable innovation of the organization to provide solutions or products in line with social and environmental responsibility	4	12

Title of the category	The title of the concept	Number of codes	Abundance (/.)
	Designing your new products, services, and investments to address social and environmental challenges.	10	8
	supporting, financing, recruiting, or empowering social enterprises or entrepreneurs	15	5
	The culture of acceptance and tolerance of your organization instead of punishment.	5	25
	Considering corporate social responsibility as a market opportunity or a source of income against market risk or cost.	10	18
Accountability	Presenting social responsibility compliance reports to the public.	5	11
	lobby the organization with industry or government organizations to enforce stronger social, environmental, and ethical laws.	12	25
	Organizational participation in providing social, environmental, or ethical solutions	10	14
	Membership of non-executive directors with expertise in social, environmental, or ethical issues in the organization's board of directors.	5	10
	The organization's participation and cooperation with the government, society, and official business organizations.	7	8
	Change your strategy, operations, products/services, and projects because of feedback received from customers or stakeholders.	8	10
Moral	Compliance with ethical matters in corporate management.	15	25
	Training employees to deal with ethical problems.	14	5
	Preparation of disciplinary and ethical regulations.	12	8
	Providing audited compliance with social and ethical codes or standards.	5	18
	Determining social, environmental, and ethical priorities by managers	7	12
	Prepare the code of ethics for the board of directors and adhere to it.	3	10
Environmental	Organization's commitment to replace water according to consumption.	4	10
	Energy consumption from renewable sources (wind, solar, nuclear, etc.).	5	12
	Reducing waste production.	10	25

Title of the category	The title of the concept	Number of codes	Abundance (/.)
	Designing and producing products and services that do not have negative social and environmental effects.	8	12
	Establishment of waste reduction policies and compliance with environmental standards.	11	8
<i>Value creation</i>	Present and disclose a complete and transparent economic added value report publicly.	8	10
	The organization relies on local suppliers and creates indirect jobs.	12	3
	Production of products and services in compliance with social and environmental standards that have positive effects on health, well-being, and the environment.	5	10
	Employees and customers are involved in the organization's ownership.	10	15
<i>Corporate governance</i>	Commitment and compliance with national or international corporate governance standards.	12	22
	Public disclosure of the reports of the organization's payments to the government (taxes, contributions to political parties, etc.).	15	25
	Comply with international sustainability standards and obtain a rating in this field.	14	15
	Designing and implementing policies and procedures to prevent and punish bribery, corruption, and other unethical behaviors	10	5
	Establish internal audit, risk management, and accountability from the above mentioned units to control social, environmental, and ethical issues.	15	25
	Human capital and its development, whose task is to coordinate and strengthen human capital and working communities	8	12

#### 4.8.2. Axial coding

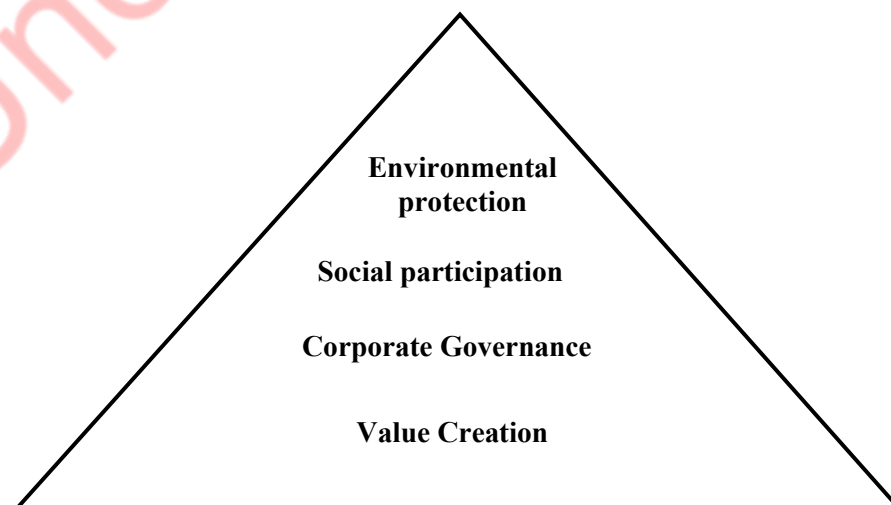
After extracting concepts, they are grouped based on similarities and differences, and categories are formed. With the content analysis of the studied models and axial coding, the basic model of social responsibility reporting is presented in four main axes and the division of axes into different dimensions in Table (1) and Figure (1) as follows:

**Table 2.** Social responsibility reporting model; Source: (research findings)

AXIS	Strategic objectives	Dimension code	Index code	Indicators	
Value creation	Economic development	1	1-1	Investment (Financial, manufacturing, social, human and natural)	
			1-2	Useful products and sustainable and responsible services	
			1-3	Advertising, media coverage of social responsibility activities	
			1-4	Participation in annual institutional or country evaluations for social responsibility rating	
			1-5	Branding by culturalizing the concept of social responsibility (strengthening brand equity)	
			1-6	Comprehensive business (Wealth distribution, markets related to the base of the pyramid)	
	Corporate governance or strategic system	Institutional Effectiveness	2	2-1	Leadership (strategic commitment to responsibility and sustainability)
				2-2	Aligning the organization's business with corporate social responsibility issues
				2-3	Responding to stakeholders and presenting reports on compliance with social responsibility in public
				2-4	Organizational participation to provide social, environmental and ethical solutions
				2-5	Compliance with corporate governance guidelines and relevant laws
				2-6	Applying the concept of social responsibility in the strategic program, strategic document, and internal management system
	Social participation	Bias toward stakeholders	3	3-1	Altruism (helping charity, providing general services and products)
				3-2	Fair work practices (working conditions, employee rights, natural health and safety)
				3-3	Preparation of ethical charter and disciplinary and ethical regulations
				3-4	Compliance with ethical issues in corporate management and personnel training
				3-5	Providing audit compliance with social and ethical standards
	Environmental protection	Sustainable ecosystems	4	3-6	Integrity in the supply chain and empowerment
3-7				Managing the organization's social responsibility activities by determining the structure and budget	
			4-1	Environmental protection (Protection of biodiversity and ecosystem restoration)	

	4-2	Use of renewable resources (dealing with climate change, renewable materials and energy)
	4-3	Organization's commitment to replace consumable resources
4	4-4	Reducing waste generation
	4-5	Encouraging and educating our customers to buy biodegradable products
	4-6	Production of products and services with social and environmental labels (organic)
	4-7	Participation in industry association agreements to promote environmental standards
	4-8	Compliance with environmental laws and public disclosure of information

The purpose of creating value is economic development, and it does not only mean creating profitability. Economic development means participation in producing wealth for shareholders and executive managers, as well as the promotion of macroeconomics. It includes investment in infrastructure, job creation, skills development, etc. Good governance is another area that, although not new, has yet to be given proper attention and has not been considered in social responsibility cycles. Institutional effectiveness is a goal that is as essential and sublime as environmental and social ideals. If the institutions succeed or lack transparency and fairness, all the other things social responsibility seeks to achieve will be recovered. Social participation is an area that has been traditionally considered. This has caused altruism to have a suitable position in corporate social responsibility. Finally, environmental justice goes beyond reducing damages and considers maintaining and promoting environmental sustainability a goal.



**Figure 1.** Social responsibility reporting model; Source: (research findings)

#### 4.8.2. Innovation of social responsibility reporting model resulting from research:

The presented social responsibility reporting models mainly include three axes of environmental, economic and social participation, and by analyzing the content of the concepts of said models and categorizing common concepts, the axis of corporate governance or management system has been added in this model. Considering the importance of social responsibility reporting for companies listed on the stock exchange, reporting on the subject in a separate axis will provide useful information to the stakeholders, which is very important.

### 5. Discussion and Conclusion

This research aims to design a social responsibility reporting model for listed companies in Iran. This research shows that [appropriate international models](#) and [frameworks](#) and relevant reporting standards have been developed. Due to the preparation of the sustainability reporting standard in 2023 and the requirement to report the social responsibility activities following the notification of the corporate governance directive from December 2022, the necessity of researching to design a [social responsibility reporting model](#) for listed companies arose. Based on the content analysis of [the models presented in foreign countries](#) and the coding of the relevant axes, the research results led to a social responsibility reporting model with the main dimensions, including value creation, corporate governance, and social and environmental participation. The axis of value creation with the aim of economic development includes the components of the amount of investment, the production and provision of valuable products and sustainable and responsible services, the volume of advertisements, the percentage of media coverage of social responsibility activities, participation in annual institutional or country assessments for social responsibility rating, branding, and development. It includes measures for social and business responsibility. The axis of corporate governance includes indicators of the commitment of the board of directors to the subject of corporate governance and sustainability, aligning the organization's business with corporate social responsibility issues and presenting reports on compliance with the issue of social responsibility in public, compliance with corporate governance guidelines and relevant laws, incorporating the concept of social responsibility in the strategic plan.

Moreover, the strategic document is defined. The axis of social participation to target the beneficiaries includes indicators of helping charities, fair work measures, preparation of ethical

charter and disciplinary and ethical regulations, compliance with ethical issues in corporate management and personnel training, integrity in the supply chain and empowerment, and management of responsibility activities by determining the structure and budget.

The following environmental protection indicators include protecting biodiversity and restoring the ecosystem, using renewable resources, the organization's commitment to replace consumable resources, reducing waste production, encouraging and educating its customers to buy degradable products, and producing products and services with social and environmental (organic) labels. Participation in industry association agreements is defined as improving environmental standards and compliance with environmental laws.

The findings of this research are practical factors in moving towards social responsibility reporting, and one of the most important consequences is using the above tools to manage future crises in society. The general suggestion about the findings of this research is that the government and relevant institutions, including the auditing organization, Tehran Stock Exchange, the Society of Certified Public Accountants of Iran, and other related organizations, first determine the institution overseeing social responsibility. Social responsibility is the official reporting framework in the country. The use of the experiences of successful countries should be developed.

The findings of this research show the general framework of social responsibility reporting. Therefore, institutions such as the government, auditing organizations, the Tehran Stock Exchange, and other organizations related to social responsibility use the results. Considering the proximity of the concept of sustainability to social responsibility and the preparation of the sustainability disclosure standard and the general requirements for the disclosure of financial information related to sustainability by the sustainability reporting committee of the auditing organization, it is a big step in preserving the environment and issues related to the category of sustainability. Although action has yet to be taken to draft a social responsibility reporting standard in the field of social responsibility, according to the provisions of the corporate governance guidelines, listed companies are required to disclose the measures taken in the field of social responsibility. The most critical executive lever of social responsibility reporting is the establishment of laws by the government. Also, institutionalizing the education of the concept of social responsibility in society and informing the public of the accountability of the companies can lead to the establishment of social responsibility in society. This knowledge can be provided to the people by the government and institutions in charge through social media, especially the national media. By expanding the



culture of corporate responsibility and paying attention to the actions of companies in the mentioned field, companies try to publish social responsibility reporting on an optional basis. It is suggested that the necessary platform for reporting be provided by holding training courses for the board of directors of the companies. It is also suggested to the Ministry of Science, Research and Technology. Regardless of the type of academic field, define courses and units related to social responsibility in different fields and levels of education, especially for graduate levels. For the headings of this lesson, the concepts and reporting categories of social responsibility known in this research are mentioned.

The general limitation in implementing the research is the lack of access to all social responsibility reporting models of different countries for the purpose of analysis and review due to the lack of publication.

Considering the requirement to disclose social responsibility information in listed companies since 2023, investigating the amount and manner of reporting and disclosing social responsibility information in companies listed on the stock exchange by examining the interpretive reports and the activities of the board of directors is proposed as a future research proposal.

**Conflict of interest:** The authors declare no conflicts of interest.

## References

- Bapuji, H., Patel, C., Ertug, G. and Allen, D. G. (2020). Corona crisis and inequality: Why management research needs a societal turn. *Journal of Management*, 46(7), pp. 1205-1222. <https://doi.org/10.1177/0149206320925881>
- Baskentli, S., Sen, S., Du, S. and Bhattacharya, C. B. (2019). Consumer reactions to corporate social responsibility: The role of CSR domains. *Journal of Business Research*, 95(1), pp. 502-513. <https://doi.org/10.1016/j.jbusres.2018.07.046>
- Carroll, A. B. (1979). A three-dimensional conceptual model of corporate performance. *Academy of Management Review*, 4(4), pp. 497-505. <https://doi.org/10.5465/amr.1979.4498296>

- Chufama, M., Sithole, F. and Utaumire, Y. (2021). A review of corporate social responsibility theories and models. *International Journal of Economics, Commerce and Management IX*, 9(3), pp. 104-19.
- Claydon, J. (2011). A new direction for CSR: the shortcomings of previous CSR models and the rationale for a new model. *Social Responsibility Journal*, 7(3), pp. 405-420. <https://doi.org/10.1108/17471111111154545>
- Damayanti, Y., Rismawati, R. and Rusli, A. (2023). Membangun Konsep Corporate Social Responsibility (CSR) Melalui Budaya 3S (Sipakatau, Sipakalebbi, Sipakainge). *Membangun Konsep Corporate Social Responsibility (Csr) Melalui Budaya 3s (Sipakatau, Sipakalebbi, Sipakainge)*, 14(02), pp. 336-345. <https://doi.org/10.23887/jimat.v14i02.58167>
- Davis, K. (1976). Social responsibility is inevitable. *California Management Review*, 19(1), pp. 14-20. <https://doi.org/10.2307/41164678>
- Dewi, C. I. R. S., Triyuwono, I., Hariadi, B. and Roekhudin. (2024). Corporate social responsibility model based on Tri Hita Karana philosophy. *Cogent Social Sciences*, 10(1), A. 2295056. <https://doi.org/10.1080/23311886.2023.2295056>
- Drobyazko, S., Hilorme, T., Solokha, D. and Bieliakova, O. (2020). Strategic policy of companies in the area of social responsibility: Covid-19 challenges. In *E3S Web of Conferences* (Vol. 211, p. 04011). EDP Sciences. Ukraine. <https://doi.org/10.1051/e3sconf/202021104011>
- Emeka-Okoli, S., Nwankwo, T. C., Otonnah, C. A. and Nwankwo, E. E. (2024). The evolution of CSR reporting in the oil and gas industry and its future direction: A conceptual review. *World Journal of Advanced Research and Reviews*, 21(3), pp. 100-108. <https://doi.org/10.30574/wjarr.2024.21.3.0664>
- Kang, C., Germann, F. and Grewal, R. (2016). Washing away your sins? Corporate social responsibility, corporate social irresponsibility, and firm performance. *Journal of Marketing*, 80(2), pp. 59-79. <https://doi.org/10.1509/jm.15.0324>
- Kanji, R. and Agrawal, R. (2016). Models of corporate social responsibility: Comparison, evolution and convergence. *IIM Kozhikode Society & Management Review*, 5(2), pp. 141-155. <https://doi.org/10.1177/2277975216634478>
- Khan, I., Jia, M., Lei, X., Niu, R., Khan, J. and Tong, Z. (2023). Corporate social responsibility and firm performance. *Total Quality Management & Business Excellence*, 34(5-6), pp. 672-691. <https://doi.org/10.1080/14783363.2022.2092467>

Lantos, G. P. (2001). The boundaries of strategic corporate social responsibility. *Journal of consumer marketing*, 18(7), pp. 595-632. <https://doi.org/10.1108/07363760110410281>

Liang, X. and Chen, X. C. (2024). Mandatory corporate social responsibility disclosure and financial constraints: Evidence from China. *International Review of Economics & Finance*, 89(1), pp. 954-974. <https://doi.org/10.1016/j.iref.2023.08.011>

Mahmud, A., Ding, D. and Hasan, M. M. (2021). Corporate social responsibility: Business responses to coronavirus (COVID-19) pandemic. *SAGE open*, 11(1), A. 2158244020988710. <https://doi.org/10.1177/2158244020988710>

Malhotra, A. (2024). Overview of CSR Initiatives: A Case Study of NHPC. In *International Journal for Research Publication and Seminar*, 15(2), pp. 168-185. <https://doi.org/10.36676/jrps.v15.i2.1407>

Manuel, T. and Herron, T. L. (2020). An ethical perspective of business CSR and the COVID-19 pandemic. *Society and Business Review*, 15(3), pp. 235-253. <https://doi.org/10.1108/SBR-06-2020-0086>

Mugova, S., Mudenda, M. and Sachs, P. R. (2017). Corporate social responsibility in challenging times in developing countries. *Corporate social responsibility in times of crisis: Practices and cases from Europe, Africa and the world*, 1(1), pp. 207-228. [https://doi.org/10.1007/978-3-319-52839-7\\_11](https://doi.org/10.1007/978-3-319-52839-7_11)

Navickas, V., Kontautiene, R., Stravinskienė, J. and Bilan, Y. (2021). Paradigm shift in the concept of corporate social responsibility: COVID-19. *Green finance*, 3(2), pp. 138-152.

Nawrocki, T. L. and Sz wajca, D. (2021). A multidimensional comparative analysis of involvement in CSR activities of energy companies in the context of sustainable development challenges: Evidence from Poland. *Energies*, 14(15), A. 4592. <https://doi.org/10.3390/en14154592>

Popkova, E., DeLo, P. and Sergi, B. S. (2021). Corporate social responsibility amid social distancing during the COVID-19 crisis: BRICS vs. OECD countries. *Research in International Business and Finance*, 55, A. 101315. <https://doi.org/10.1016/j.ribaf.2020.101315>

Poursoleyman, E., Mansourfar, G., Hassan, M. K. and Homayoun, S. (2024). Did corporate social responsibility vaccinate corporations against COVID-19?. *Journal of Business Ethics*, 189(3), pp. 525-551. <https://doi.org/10.1007/s10551-023-05331-1>

- Su, K. (2019). Does religion benefit corporate social responsibility (CSR)? Evidence from China. *Corporate social responsibility and environmental management*, 26(6), pp. 1206-1221. <https://doi.org/10.1002/csr.1742>
- Tahniyath, F. and Elbanna, S. (2023). Corporate social responsibility (CSR) implementation: A review and a research agenda towards an integrative framework. *Journal of Business Ethics*, 183(1), pp. 105-121.
- Visser, W. (2014). CSR 2.0: Transforming corporate sustainability and responsibility. New York, NY: Springer. Berlin, Heidelberg. <https://doi.org/10.1007/978-3-642-40874-8>
- Wartick, S. L. and Cochran, P. L. (1985). The Evolution of the Corporate. *Evolution*, 10(4), pp. 738-760.
- Wood, D. J. (1991). Corporate social performance revisited. *Academy of Management Review*, 16(4), pp. 691-718. <https://doi.org/10.5465/amr.1991.4279616>
- Zhang, D., Lu, S., Morse, S. and Liu, L. (2022). The impact of COVID-19 on business perspectives of sustainable development and corporate social responsibility in China. *Environment, Development and Sustainability*, 1(1), pp. 1-24. <https://doi.org/10.1007/s10668-021-01798-y>