

## Corporate social Responsibility: Capitalizing on Socio-Economic Instability in Pakistan

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### Abstract

*With the right amount of persistence, dedication and effort, you can always depend on your biggest weakness to bring you glory. We as individuals, living in a society, allow the corporate bodies to implement successful policies and practices of corporate social responsibility (CSR) so that they aid and support the society in the matters such as, education, health, environment, raising living standards, etc.*

*Pakistan is on the course of growth and development. There have been uncertain socio-economic events both in the past and present bearing on people's psyche. Even then, the country is preserving its independence, sovereignty and integrity. The study analyses the question that how the companies are capitalizing their CSR on the socio-economic instability which is making them affluent and better off and leading them to attain potential gains in the current scenario of a developing country.*

*As the problems such as, nepotism, corruption, inflation, increasing oil prices, energy crises, devaluation of local currency, decreasing purchasing power and standard of living, etc are creating frustration amongst the general public; CSR is being utilized as a mean to capitalize from such problems by various companies. Though, this sort of utilization of CSR is leading corporations to achieve good local and international reputation, however; this also raises concerns regarding exploitation. Therefore, the research also investigates the nature of exploitation, from the companies, under the umbrella of CSR.*

*Any society in the time of injustice and lawlessness either goes down or rises from the ashes. Companies which are compromising or manipulating their CSR in the current socio-economic situation of Pakistan are actually moving towards exploitation which will not work for them in the long term if the socio-economic situation improved. On the other hand, companies by not compromising or manipulating their CSR will win the trust of people for long term and will be looked upon as dependable and trustworthy.*

*It is postulated that it is the duty and responsibility of corporations to promote the ethical values and their responsibilities without exploiting the opportunities and weaknesses within a country. In addition, the companies must deeply root themselves in the society by gaining customer loyalty. Hence the Paper concludes that the significance of CSR is to help companies get rid of temptations arising from unreliable monetary mechanisms, thus making them conscious of their responsibilities. As a result this will not only benefit in building a stable economy in the long run but it will also benefit the companies themselves.*

*The data for the research is mainly collected through in depth interviews from the private companies and foreign investors. The structure of the paper is as follows. Firstly, this research paper critically discusses the literature regarding CSR in Pakistan, particularly within the socio-economic scenario of Pakistan. It is followed by the need of organizations in Pakistan to pay serious attention on their CSR to bring about the positive change into the society. Then the question regarding how CSR is being utilized to capitalize from the weaknesses of the socio-economic situation of Pakistan will be analysed. Subsequently, the nature of exploitation from the companies under the umbrella of CSR is investigated. Finally, the paper ends with conclusion with future implications and discussion.*

**Keywords:** Capitalization of Socioeconomic instability, strength of corporate body, corporate social responsibility in Pakistan.

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## Introduction

### 1.1 Background

In the time of globalization, Pakistan is a country which has the potential to develop markets and offer products and services to the world in order to improve its economy. Most of the export products include textiles, leather products and garments as well as surgical equipments and sports goods. In addition to its immense war against instability of its economy it has been a victim of natural calamities and humanitarian crises as well. The devastations have caused huge human catastrophes affecting the back bone of the economy as a direct consequence. In the words of the former Prime Minister of Pakistan Yousaf Raza Gillani (2010), "the destructions of roads, bridges and towns have set Pakistan economic development back by years". Tracing back the worst natures of tragedies seen in the history of the country namely drought of 2002, Kashmir earthquake in 2005 and flooding of 2010 caused severe destructive infrastructural, undermined economic structure and forced negative budgetary impact on the country. It has been mentioned in World Bank (2013) that the World Bank groups has donated several hundred millions of dollars to help Pakistan to overcome its emergencies and financial deficiencies but still Pakistan has not been able to manage its way out of the socio-economic quagmires.

Moreover, Pakistan has recently been plagued with terrorism as well, which works as a regressive factor for the economy of the country. Mohammad Ali Jinnah, the founder of Pakistan, congregated people upon the ideology of a Muslims' independent country run by the Islamic Shariah where there would be tolerance and respect for non religious diversified groups. Islam does not permit unjustified killing. But unfortunately, some limited groups of extremists, with their ulterior motives, exploit Islamic teachings and Quranic verses to further their own cause. Terrorism creates fear amongst the individuals and different groups of people destroying the peace and dignity of the country. Terrorism has not only affected the national economy but it has also destroyed the goodwill of the country internationally. In consequence the foreign investors have stopped their investments thus causing unemployment and lower per capita income adding to poverty.

Despite being an agricultural economy there is a considerable demand to import agricultural products which eventually disturbs the balance of payment. Previously, as is the norm in Pakistan, general allegations of corruption were charged against the government due to its failure in coping with issues such as lack of energy production hampering the

industrial development, monitoring of governance relating to law and order for security of the unarmed civilians, inflation based on a disturbed supply chain, high prices of oil and import bills that have led the country's current account turn to deficit. Devaluation of rupee and overall financial instability has frustrated the people to no end. As a result, the slow growth of economy and the cost of damage cannot be overlooked. Therefore, a fiscal framework is required to expand budgetary resources by implementing suitable tax laws that will help raise taxes and increase the tax net, improve education to get rid of the societal issues caused due to illiteracy, provide health care services where there were none to be had before, make required preparations for emergencies so they may not cause major economic downfall, improve investment, foreign as well as local, to boost the industry which will offer employment and last, but by no means the least, meet the energy shortfall on which our industries are solely dependent. Considering the importance of addressing the issues many corporate have corporate social responsibility unit which has been performing philanthropist activities and addressing the social issues to bring reform in the society.

Keeping in view the current situation of Pakistan, this paper is specifically going to pay attention to whether Corporate Social Responsibility is bringing a positive change to the society and how the Corporate Social Responsibility is being utilized to capitalize on the socio economic instability of Pakistan. In the end it will report important issues relating to the nature of exploitation by the companies in the name of Corporate Social Responsibility.

### 1.2 Corporate Social Responsibility

Corporate Social Responsibility is a practice of managing the social, environmental and economic impacts of organizations, considering the stakeholders and the ethical code of conduct required to increase the value of the organization (Ragodoo, 2009). Companies that employ corporate social responsibility as a tool to cater societal needs can increase the loyalty and commitment from both the employees and customers alike. The disrupted lives of the people can find some balance in the execution of corporate social responsibility which provides a solution to the socio economic and environmental challenges by collaborating with employees, stakeholders, customers, suppliers, government and non government organizations. According to Moir (2001) corporate social responsibility will enhance the reputation of the companies together with assistance in building a workforce, trust, and retention of employees in a company. He further said that responsibility means "executives are accountable for their actions".

Corporate social responsibility is now considered itself a separate market which requires a human resource management to work at its best for the community. Marchington (2008) illustrates that human resource can make a significant difference both at workplace and corporate levels. Additionally according to Corporate Social Responsibility Pakistan website (2013), Corporate Social Responsibility Pakistan was established in 2007, which is a tangible example of corporate social responsibility expedient for socio economic development of the country. Moreover, many companies in Pakistan are independently fulfilling their social obligations. Amongst them, it has been reported in the business recorder that the 4<sup>th</sup> international corporate social responsibility summit and Business award of the National Forum for Environment and Health held in 2012, 36 companies were announced to be awarded Corporate Social Responsibility Excellence Award in 2012 for their best performances in corporate social responsibility (Naeem 2012). According to Gond et al., (2010), the application of Corporate Social Responsibility will influence positively on employees as they will recognize their social identity which will tend to reinforce their self esteem, bolster their self image and enhance positive workplace attitude which will eventually prevent them from developing a negative behaviour towards their companies.

### 1.3 Capitalizing on Socio Economic Instability in Pakistan by the Private Sector

In response to the conditions of the country where there is low life expectancy, poor sanitary conditions and lack of resources to meet the domestic and industrial demands of the people, the industrial pundits are aspiring to positive differences in the society by developing towns consisting of housing facilities, utility markets, hospitals, recreational facilities, educational institutes and mosques, and their own energy plants to supply electricity, water and gas to the whole town. Moreover security measures are strictly abided to facilitate the residents. This provides security, peace of mind and stability to the concerned employees at every level. Furthermore, the industries situated in far off places offer incentives to the local population as well, by providing them with health care and education in the form of clinics and schools in their close vicinity. This eventually builds up a positive image for the companies and helps them boost up their businesses on larger scales. As a consequence, the consumer also benefits from the execution of corporate social responsibility on the part of the corporate sector and considers them a God send in the absence of basic amenities that should have been catered to them by the government in the first place.

According to the 4<sup>th</sup> international corporate social responsibility summit and Business award of the National Forum for Environment and Health (NFEH) held in 2012, 36 companies were awarded the best Corporate Social Responsibility companies (Naeem 2012). Amongst them 8 has been selected for the purpose of this research. Here is the detail of the 8 companies:

- In the annual report of bank Alfalah limited (2012) it is mentioned that the bank operates beyond the philanthropy approach. They have partnered with various organizations to preserve Pakistan's heritage destroyed and damaged by natural calamities and several measures are taken to improve education, health care, sports and youth development programs to bring a positive change in the society (Annual report of Bank Alfalah, 2012). A total of Rs. 39.2 million was donated for corporate citizenship with committed donations standing at Rs. 97 million as at the year end. (Annual report of Bank Alfalah, 2012)
- According to Adamjee Insurance Company website (2013) the company focuses on corporate citizenship. It maintains strict measures to monitor its work environment and complies with all the ethical codes and standards (Adamjee Insurance Company website, 2013). Its employees contributed their one day salary for flood effectees in 2010(Adamjee Insurance Company website, 2013). On the other hand, it donates money to Imran Khan Flood Relief Fund "Pukar" as well as TCF (The Citizens Foundation) Flood Relief Fund (Adamjee Insurance Company website, 2013)
- It has been mentioned in Pak Arab Refinery Organization website (2013) that it is a joint venture of Pakistan and Abu Dhabi where as their initiative for corporate social responsibility has been extensive with respect to building of school and clinic support programs. It is assisting 60 institutes for developing infrastructure and civil works (Pak Arab Refinery Organization website, 2013). It has partnered with The Citizen Foundation and developed a few of their school campuses (Pak Arab Refinery Organization website, 2013). Also, it treated 7300 flood effectees at their medical camps (Pak Arab Refinery Organization website, 2013). Moreover, it has joined hands with the Motorway Police to run a number of safety campaigns, one of whose features was the printing of 10,000 safety

booklets (Pak Arab Refinery Organization website, 2013). Considering the environment, it ensures the implementation of national environment quality standards in all of its installations (Pak Arab Refinery Organization website, 2013).

- Additionally, Fauji Fertilizer Corporation website (2013) has been facilitating the community since 1982 by providing agricultural services, trainings and vocational programs. It has established hospitals, schools and a housing colony providing in-house facilities in Mirpur Mathelo, Sindh (Fauji Fertilizer Corporation website, 2013). Its contribution to the environment is tremendous as it has constructed a wind energy plant in Jhampir, Sindh (Fauji Fertilizer Corporation website, 2013).
- It is cited in (2010) on the Corporate Social Responsibility website of Pakistan (2013) that the Coca Cola Enterprise has contributed Rs. 22 billion in tax revenue 2007-08. It has created 3200 permanent jobs, 3100 temporary jobs, and 5100 indirect jobs in sales, distribution and trade sectors (Corporate Social Responsibility website of Pakistan, 2013). Also, one of its biggest initiatives is starting Coke Studio on television which is an opportunity for Pakistan's emerging music artists (Corporate Social Responsibility website of Pakistan, 2013). It sponsors different events held by different organisations and give away lucky draw prizes amounting to millions of rupees (Corporate Social Responsibility website of Pakistan, 2013).
- As stated in Annual report of Suzuki Motors (2012) the company is committed to act responsibly while enhancing the quality of life. They have established schools and distributed textbooks to the children to promote education in Sindh; on the other hand, they have been involved in activities like beach cleaning campaign 2012, blood donations, and free medical camping (Annual report of Suzuki Motors, 2012).
- In the sustainability report of Unilever Brother (2012) it has been highlighted that Unilever is committed to corporate social responsibility. It ensures health and safety of people at work, it ensures the quality of their products and services, and it makes its consumer aware of the benefits of their brand (Sustainability report of Unilever Brother, 2012).

- It has been mentioned in the Annual and sustainability report of Engro Corporation Limited (2011) that they are committed to protect health and safety of their employees which is considered to be their ethical obligation. They are aligned with occupational safety and health administration and National environment quality standards (Annual and sustainability report of Engro Corporation Limited, 2011). They contribute 1% of their profit before tax towards social investment (Annual and sustainability report of Engro Corporation Limited, 2011).

But there's another side to this picture. The dire circumstances of the country that the people of Pakistan have been faced with have moulded their mindset in a cynical frame. Therefore, they have become mistrustful of even the potentially meaningful actions performed by the companies with the best interest at heart. This lack of trust is not without grounds as there are some members of the corporate society who are not established for the going concern. Therefore, their short term existence, in which their main focus is on profit maximisation, mars the image of the larger and firmly established companies in the country.

#### **1.4 Exploitation of Corporate Social Responsibility**

Despite the immense effort put on by the private sectors to foster a positive image with respect to enhancing their reputation and branding themselves in the hearts and minds of the general public, the private sectors have always been subjected to doubt and negative criticism from the very public they serve. This censure basically arises from their inability to provide sustenance to a society struggling for some respite from the clutches of a crippled economy and seemingly insurmountable hurdles. This holds true in some cases, for the line between capitalizing and exploiting is very thin and one definition tends to occasionally overlap the other. Sometimes the companies with the best interest at heart also fall prey to the temptations that they find at their disposal, under the current scenario of the country. Then there are those that exploit these very circumstances to their advantage and thus the blame game gains weight with the people.

The primary blame hurled ubiquitously at them is that all their efforts are focused either on individual clients or ineffective events, such as lotteries, raffles, festivals, celebrations etc and based on a policy of publicising their brand name rather than assisting the supply chain and addressing the social issues. Apart from a few, many companies instead of taking long term, meaningful and substantial measures to eliminate and eradicate social evils, mainly focus on promotional

activities that are cost effective, provides their company with an impression of being philanthropic and thus, in their own minds, falsely redeems them of their corporate social responsibility. Their philanthropic activities are therefore, causing harm to the basic sustainable business activities in principle and compromise on the corporate ethics that each company is informally bound with. According to Milton Friedman (1970) "the only responsibility of the business is to earn profit".

Besides, labour exploitation and capital formation caused so much damage to the character of industries that everyone started to believe that the corporate body has the "license to kill". To clear its name of this impression the corporate body will have to balance the profit with the benefits of the people. Baron (2005) expressed the point as "Corporate Social Responsibility is a good substitute to social giving where entrepreneurs would develop corporate social responsible firms at a financial cost".

But does the corporate sector actually follow it?

Unfortunately, in a country where the writ of the government is subject to manipulation and distortion, the cost of survival for the corporate sector automatically transpires into some level of corruption which then trickles down to the management and thus, prevents them from executing their corporate social responsibilities with the level of dedication and sincerity that is required of them. Under dire and trying circumstances, caused chiefly by the law and order situation of the country, even the best of people tend to give into temptations that are consequently presented before them. The growing inflation rates, declining economy, depressed mindsets, obscure corporate Acts, illiteracy and political upheavals of Pakistan have paved the grounds for seeds of exploitation to be sown by the corporate sector, while blatantly ignoring their corporate social responsibilities and thus, providing the public to voice their grudges, more than often, against their grave misappropriations.

### **Research question**

This research will focus upon the following research question:

Is the corporate sector in Pakistan capitalizing on its socio-economic weaknesses to execute their corporate social responsibility?

### **Literature Review**

Kotchen (2011) describes corporate social responsibility as a relationship between corporate social irresponsibility and corporate social responsibility where as companies engage in corporate

social responsibilities so as to divert the attention of the people from poor governance instead of bringing reform in the governance.

Considering the current situation of Pakistan Azam & Khattak (2009) said that the government should make efforts to improve its international image by paying more attention towards decreasing socio-economic instability as multinationals always prefer to invest in the country having economic and political stability.

According to the analysis of Gayur (1996) the labour market of Pakistan is facing problems of poor working conditions, job dissatisfaction, long working hours and missing of occupational safety and health hazards measures. In certain prevailing conditions Smith (2003) stressed upon a need for commitment to corporate social responsibility, keeping in mind the general businesses and the specific circumstances prevailing within a society. Adding to that Pratab (2011) claimed that voluntary initiative of corporate social responsibility for corporate self regulation could address the social and environmental problems and where the state has failed, private enterprises and non state actors could succeed. Further, Velentzas & Broni (2010) added that many organizations are voluntarily choosing to be socially responsible. Srivastava et al., (2012) feels the urge of corporate social responsibility as there is a growing cut throat competition, rivals taking advantage of the quality, lack of transparency and hostile business environment, making the companies realize their survival will be to see beyond profit maximization. Ali et al., (2010) stated that in order to promote the Corporate Social Responsibility the Companies are publishing their activities on the websites, producing the sustainability reports and carrying out advertising campaigns to attract the customers. Despite these efforts the customers of Pakistan do not consider the corporation's contributions when making buying decisions.

In relation to the above statement Waheed in the report produced on the Security Exchange Commission and United Nations Development Plan (2005) said Corporate Social Responsibilities movements should consider taking measures of consumer protection as to win the heart of the community. Carroll & Shabana (2010) analysed that the firms which engages in corporate social responsibility activities will be rewarded by the market in economic and financial terms. Velentzas & Broni (2010) defined that all the ethics, code of conducts and principles that a business man can follow are revealed in corporate social responsibility framework. In support of this theory Hameed (2010) is of the view that corporate social responsibility provides a proper framework of achieving sustainability by considering the ethical issues of the society. Ebner (2008) emphasized upon

the sustainability aspect of business management and stated that it is based on the belief of give and take in order to maintain an approach of long term success.

Also, Mohammad & Sawandi (2003) mentioned that the corporate social responsibility can increase the long term profitability and sustainability of the organizations and further it can enhance the reputation of the companies. Corporate social responsibility agendas are driven by external forces and pressure groups (Belal & Momin, 2009). One of the pressure aspects is the "corporate reputation" (Burke et al., 2011). If the company's behaviour will be poor, this will decrease the credibility of the executives and the organization. Martin (2010) argued that human resource department can build up the reputation and good governance.

Consequently Gond et al., (2010) favoured the integrating of corporate social responsibility with human resource management for enhancing performance. To support the idea Khan (2004) said that the Social, Political and Economical issues of Pakistan can be resolved by establishing a framework where a horizontal linkage can be formed among the civil society organizations. As corporate social responsibility requires a long-term collaboration with various stakeholders, the multinational corporations in this regard can provide financial and technical support to build relationships with key local stakeholders, such as local government, community leaders and educational and training institutions (Pimpa, 2011). Moreover, Ioannous (2010) summarized by saying that we find that the corporate social responsibilities strategies must be properly conveyed to the managers and it must be taken care that the concerned knowledgeable person has received the strategies. Brammer (2005) said corporate social responsibility is directly and positively related to organizational commitment which leads to greater job satisfaction and provides direct benefits to employees.

Furthermore, Ragodoo (2009) pointed out that employees should benefit from the involvement of corporate social responsibility as there are employers investing on the corporate social responsibility initiatives towards their employees and their families. As, highlighted by Gond et al., (2010), corporate social responsibility will influence employee's perceptions which will ultimately foster corporate performance. Kuznetsova said instead of treating employers as a part of the problem they should be regarded as part of the solution to improve the situation.

In the end, The Model of Gond et al., (2010) provided a direction for the corporations that by doing well and by doing good can compel the employees to behave in a socially responsible manner. Tsoutsoura (2004)

stated that there are benefits of being socially responsible but corporate social initiatives are always subject to debate regarding their legitimacy and the worth they carry for the people. Therefore Chatterji et al., (2008) accentuated the need of rating of corporations to evaluate the internal pollution and compliance violation level. In order to ensure transparency in a corporate responsible environment, Security Exchange Commission of Pakistan (SECP) (2013) has provided a voluntary guideline that focuses on fair, accountable and positive practices of corporate social responsibility. Machat et al., said the disclosure of more social and environmental information may lead to some beneficial socio-economic effects at the macro level. Sheikh in the Gazette of Extraordinary Pakistan (2009) further notified a general order in sub section 1 of section 246 of the Companies Ordinance 1984 stated that every company is obligated to provide descriptive and monetary disclosures of their corporate socially responsible activities which include the following:

- Corporate Philanthropy
- Energy Conservation
- Environmental Protection Measures
- Community Investments and Welfare Schemes
- Consumer Protection Measures
- Welfare spending for under-privileged classes
- Industrial Relations
- Employment of Special Persons
- Occupational Safety and Health
- Business Ethics and Anti Corruption Measures
- National Cause Donations
- Contribution to National Exchequer
- Rural Development Programmes.

Barnett & Salomon (2006) said a socially responsible investor can socially screen out the firms that are irresponsible to increase their financial performance. The best solution to protect their legitimacy and worth will be business communication to construct corporate personality, image and identity concluded by (Allori & Garzone, 2010).

### **Methodology**

The study is descriptive as well as exploratory in nature. The data comprised of Secondary and Primary. The data has been collected from the 8 private organizations, out of the 36, who have been awarded for their best performances in Corporate Social Responsibility in 2012. The selected 8 companies are the Bank Alfalah Private Limited, Adamjee Insurance Company, Fauji Fertilizers, Pak Arab Refinery Corporation, Coca Cola Enterprise, Unilever Brothers Corporate Limited, Engro Corporation Limited and Pakistan Suzuki Motors Corporation. These companies were selected on the basis of convenience of accessibility. Semi structured, in-depth interviews

were conducted from the different middle level managers of Bahawalpur branches of these companies. Different questions were asked from the managers which primarily revolved around the theme of how they carry out the Corporate Social Responsibility in their organizations. Mainly, the purpose of asking such questions was to evaluate how their social activities were having an impact on the people and whether the activities of the Corporation were beneficial to gain reputation amongst the general public. Thus, this research paper will answer how helpful it is for the Corporate body to capitalize on the current socio-economic instability of the country and whether their approach is of an exploiting nature.

### **Findings and discussions**

During interviews it was observed that all the managers being questioned had a consensus on the point that there is still immaturity in the development of corporate social responsibility in Pakistan and they agreed that there is an essential need to exercise corporate social responsibility on a practical scale. Thus, the rules and guidelines for its execution must be planned properly. They emphasized on the point that it is important for the policy makers to understand at the time of implementing policies that the policies should be practicable in such a manner that the managers are able to cope with them under their current settings.

They further said that in the current scenario of the country where there is unemployment and threat of losing the job the employer need to focus on building a relationship with its employees, who are directly interacting with the clientele and creating a sense of association between their brand and the customers. It is becoming ever more difficult to support their families and raise their standard of living. At the same time, the working hours are quite long which do not justify their pay scales. Thus, their personal life stays disturbed. Thus, the policy makers need to address the basic issues of the employees, the chief one being the increase of salaries, timely payment of incentives and dispersal of allowances, keeping in view the rising inflation in the country.

The majority of the managers highlighted that they are the middle men between the policy makers and the functional level workers. The head office allocates the salary criteria as well as considers the policies of the organization. On the other hand, the manager of each branch of the organization is only responsible for checking that the employees are satisfied and the needs are being fulfilled properly. In case of any of the employee being dissatisfied, the manager does his counselling and even after that if he feels dissatisfaction about his work or shift rotation, the manager addresses the issue. Thus, by executing their

corporate social responsibility the managers make sure that the employees don't lose their jobs but instead enjoy full job security, through consistent job rotations which helps them gain experience and skills at different levels.

Also, the managers said that in case of any emergency or financial crisis the corporate social responsibility takes care of their monetary needs. Moreover, they all had nearly the same positive opinion with respect to the importance of the corporate social responsibility in the society. Few of the managers showed trust in the efficacy of corporate social responsibility as opposed to the others, and admitted it to have been successful in capitalizing on the socio-economic instability of Pakistan. They said that the policies are clearly defined and the managers are applying them according to their work culture. However, others were in disagreement. They said that there is a complete lack of awareness of corporate social responsibility in the companies and it is often confused with the human resource development responsibilities. They pointed out that most of the companies exploit the resources of corporate social responsibilities by focusing on profit generation rather than attending to the social needs of the employees and the customers.

The managers asserted the importance of corporate social responsibility with regards to the key factor namely the end user called the customer. If their needs are not fulfilled then they will turn to those who are selling better quality products and providing better services. Thus, it all comes down to one person, who is the customer. The customer basically constitutes the focus group of all organizations thus the managers are responsible to train their employees to build loyalty with them and assist them in all possible manners. Most of the managers stressed on fair public dealing and providing them with a comfortable environment. As the pressure of competition is rising day by day thus they emphasized more on training as their employees have to deal with different kinds of people.

Unemployment, ever increasing prices of basic necessities, pitiable standards of living, poor hygiene, medical issues and the threat of losing one's job keeps the people focused on earning even if it is for a salary package that is less than the daily wage labour. A little effort done with regard to corporate social responsibility will induce the employees and customers alike with better incentives which in turn will motivate them to work hard and achieve their goals. However, it is not only incumbent on the corporate sector to look after the requirements of the people but it is the responsibility of every individual member of the corporate body to consider corporate social responsibility as their own personal responsibility and obligation.

## Conclusion

The majority of the managers agreed that the private sectors are executing corporate social responsibility with regards to the society to stabilize the socio economic condition of the country. However, the corporations have not been able to maintain it at each level of the organization and have been unsuccessful in creating awareness amongst the people concerning their practices due to the lack of transparency and exploitation of the corporate social responsibility resources. In the end, the people will start losing interest in the concerned companies if the corporate body continues its focus only on campaigns for image building, which affords no monetary benefits to the people, and doesn't take viable measures to address issues like poverty alleviation and unemployment, which will have long term effects on society building.

Keeping in view the present day scenario of Pakistan, the people are not effectively voicing their concern with regards to the exploitative nature of the companies' role in their lives because however corrupt or unfair the corporate body maybe in their dealings with the public, they are still in some manner catering to their needs and spreading a message of peace which is the demand of today. However, if in the future the country's conditions improved and the companies, that are exploiting the resources of corporate social responsibilities rather than capitalizing on them, do not change their approach they are using right now then eventually they will have to bear the cost as they will lose a major part of their loyal customers. Thus to improve their image and to align themselves with the developing scenario of Pakistan, they will need to avoid on capitalising on short term goals but instead focus on long term objectives by investing a substantial portion of their profits to achieve the trust and goodwill of the public.

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