



Corporate Social Responsibility and CSR Audit

Challenges in CSR Audit Practices

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Abstract

This thesis considers the central position of Corporate Social Responsibility (CSR) in making ethical and sustainable business practice feasible and acknowledging shortcomings of current CSR reporting schemes. Irrespective of the popular implementation of guidance like the Global Reporting Initiative and ISO 26000, the lack of enforceable regulatory requirements and third-party assurance protocols has led to selective disclosure and manipulation of CSR reports. This undermines stakeholder trust and inhibits the measurement of actual corporate responsibility.

The research is driven by increased stakeholder demands for transparency and accountability, as well as the observed misuse of CSR as a Public Relation strategy rather than as an indicator of authentic corporate ethics. Based on the ethical audit framework proposed by scholars such as Morimoto et al. (2005), the thesis proposes a better, more structured CSR audit model incorporating third-party independent assessment, managerial ethics, risk assessment, and stakeholder interaction.

The model aims to bridge the gap between current CSR disclosure and actual impact so that firms disclose but also behave responsibly. The study makes a relevant contribution to the topic since it answers the pressing call for a workable, holistic, and enforceable CSR audit system.

Keywords/tags (subjects)

Corporate Social Responsibility, CSR Audit, Ethical Audit Model, CSR Reporting, GRI, ISO 26000, Stakeholder Accountability, Transparency, Corporate Ethics, Sustainability Reporting.

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1 Introduction

Corporate Social Responsibility (CSR) is a key area of interest for businesses. It is not only an ethical model which functions to promote equal distribution of resources, but serves as a smart-business technique that ultimately becomes source of revenue for businesses by way of promotions. Multinational Companies hold huge significance in this age of industrialisation, this also means accumulation of money in hands of few people which leads to wider income disparity.

Corporate Social Responsibility model creates a balance between haves and have nots of societies by making big corporations liable for providing back to the society. CSR is a widely acknowledged concept, and is conducted with varied motives. Some see it as their duty towards society and others see it as a strategic imperative.

By looking closely at the statistics and data in public domain, CSR seems more like a promotional activity which lacks evidentiary or measurable data. Although CSR auditing model also exist which provide foundational framework to assess credibility of CSR activities done, these models lack effective implementation and systematic approach. This thesis aims to work and build upon the model proposed by scholars like Morimoto et al. (2005) and develop a comprehensive CSR audit model tailored to contemporary needs.

1.1 Background

Before understanding how an ethical model of CSR auditing should be, it is integral to understand how CSR works. Companies undertake various CSR activities to manage their impact on society and environment. For instance, companies focus on measures towards environmental stewardship, efforts to reduce carbon emissions, ensuring ethical supply chain is managed without unnecessary hoarding of products. When companies start working on CSR, they also need to balance the demands of shareholders who have invested in the company for earning profits. If CSR activities do not lead to reputational gain or other improvements, shareholders might not approve big CSR projects. (Wilmschurst & Frost, 2000).

The importance of CSR reporting lies company's efforts towards communicating its social and environmental activities to stakeholders. CSR Reporting is important because it provides

stakeholders with holistic view of what all ethical and sustainable practices a company is involved in. Scholars such as Kolk (2003) and Solomon and Lewis (2002) have talked in length about the importance of CSR reports in decision making. Various stakeholders rely on CSR reports to judge investment needs, requirement of underwriters, insurance decision making depending on responsibility businesses take for society. There are two major frameworks that guide companies develop a solid CSR Reporting model, those are Global Reporting Initiative and ISO 26000. Both these tools hold significant importance in implementation of Corporate Social Responsibility.

GRI standard focuses on three main data disclosure (Environmental, social and, governance) from the company in a way that align with global expectations. (Brown et al., 2009). Similarly, ISO 26000 standard lays down guidelines (not certification) on socially responsible behaviour that companies should adopt in their daily decision making and organizational values. (Castka & Balzarova, 2008).

Although both the frameworks immensely help companies in creating CSR indicators and developing CSR reports, there is no effective checks and balance mechanism to assess transparency and reliability of these reports. Since following GRI standards is voluntary, companies have flexibility to pick and choose what to report and what not to report because of lack of legal enforcement mechanism. Hence, companies can very well choose to disclose good things and hide unethical parts of process. Further, GRI doesn't even require independent audits that raises questions of credibility.

Similarly, ISO 26000 only provides guidance and no certification, meaning there is no way to prove whether a company actually follows ISO 26000 in its essence or not. ISO 26000 doesn't provide any formal audit mechanism or standard to measure efforts, which makes companies whitewash their efforts.

These challenges in current CSR reporting necessitate a strong CSR auditing model. Due to lack of effective standards and lower recognition of existing standards, companies follow only those standards that require less effort and more promotional advantages. Stakeholders who intend to invest their time, money or other resources in the companies fail to compare and assess which company is actually truthful in their approach and is making a real difference.

1.2 Motivation

Motivation for this thesis arises from lack of literature available on CSR accountability, CSR reporting practices and ethical audit models. As mentioned above, guidelines outlined by GRI and ISO 26000 fall short in creating standard that can be effectively implemented. With rise of stakeholders and government's focus on creating corporate accountability, there is a need of setting strict standards that foster consistency, comprehensiveness, and reliable disclosures.

Numerous articles in newspapers and internet have published about unethical practices of CSR reporting and circulation of fake reports. Famous companies like Nestlé, BP and Enron have been highlights of such news breaking trust of stakeholders. This is because companies look at CSR as a public relations tool rather than a real reflection of companies social and environmental efforts. This raises doubts as to credibility of widely circulated CSR reports and ethical standards that have no real impact in assessment. (Cannon, 2012; Chandler, 2007; Zerk, 2006).

Major stakeholders like government, consumers, insurers, even investors prefer business that are actively involved in corporate social responsibility efforts. Research indicates that companies working upon social causes gain significant recognition and loyalty from all these stakeholders. (Morimoto et al., 2004).

This need of stakeholders lays out the importance of credible CSR reporting that promotes transparency and accountability. The current gaps in CSR reporting lacks required standards and strict implementation and check strategies that make it difficult for concerned stakeholders to make informed decisions. (Kotler & Lee, 2005)

This thesis therefore delves into creating a framework of ethical auditing model that is a potential solution for the problems enumerated above. Such ethics audit model will involve independent third-party verification of company's CSR initiatives. Some companies like Starbucks already have a similar model in place for satisfaction of stakeholders, however it is still in its nascent stage. These models focus on identifying managerial ethics and behaviour patterns, but lack focus on important areas like risk analysis and risk management. (Carmichael et al., 1998; Kaptein, 2008).

This thesis delves deep into assessing challenges faced in existing CSR frameworks, audit models and absence of standardized approach of CSR reporting. This lack of framework has created atmosphere of uncertainty and false claims for stakeholders. This thesis is an attempt into solving this problem by analysing challenges and developing an improved ethics audit model for CSR reporting. The objective of creating a new model is to overcome existing challenges and ensure that stakeholders receive accurate depiction of company's social and environmental efforts.

1.3 Research Problem, Objectives, and Questions

1.3.1 Research Problem

The main challenge identified in this thesis is the lack of standardized approach within the current CSR reporting landscape, leading to potential inconsistencies and dissatisfaction of stakeholders receiving incomplete and biased information in the name of CSR reporting.

1.3.2 Research Objectives

The central objective of this research is to resolve CSR reporting problem by analysing challenges and developing an improved ethics audit model. The study aims to:

1. Develop an improved ethics audit model tailored for assessing CSR performance comprehensively.
2. Align CSR activities with stakeholder interests and expectations.

1.3.3 Research Questions

This thesis focuses on two pertinent research questions:

1. What are the limitations that exist in current CSR reporting practices?
2. If an ethics audit model is developed, what role will it play to address limitations in current CSR reporting practices?

1.4 Structure of the Thesis

The thesis is structured in manner as enumerated below:

This thesis is structured in a way that helps readers understand the existing challenges in the reporting practices and the ways those challenges can be curbed. The organization is such that the readers can clearly make their opinion with existing literature reviews and statistics even before reading the approach that this study provides. The proposed improvements also follow existing framework so that it removes biasness and stands firm amidst challenges. To understand the structure of thesis better, below are some points that shed light on the format of thesis:

Introduction: The introduction chapter focuses on the need of this study, background in which such thesis is presented, research gap and questions, and proposed framework. The main focus of introduction chapter is the importance of CSR reporting practices for businesses, its stakeholders and economy in general. This chapter is designed in a way that empowers readers to understand not only the gap in existing framework but identify the importance of the contribution of this thesis for future development in the area.

Literature Review: Literature review chapter is very relevant because it clearly explains the existing framework that allows readers to analyse both the importance of the subject matter involved and the need of research. This chapter is divided into various parts that explains basic concepts related to CSR, CSR audit and the need to talk about limitations of current CSR regime. The review involves theoretical foundation for the whole thesis and allows readers to understand motivation behind the research, the need of research and the role such scholarly works play in understanding the context of thesis.

Methodology: This chapter of thesis focuses on various research methods and designs used throughout the study. Aim of the chapter is to understand details pertinent to qualitative approach used. Qualitative approach focuses on seeking opinions of industry experts by taking interviews, analysis existing data, document analysis, and current practices of CSR reporting. This section of the thesis also pertains to why qualitative approach is used and why it is important to explore existing research gap.

Results: This chapter focuses on the findings of research. It clearly identifies what are the limitations of current CSR reporting practices based on the data collected and analysis of existing literature. Aim of this chapter is to present an unbiased outcome of existing literature, data analysed during the research, and new data collected via interviews and other methods. This chapter can be called evidence to support why this thesis was written and why it is a much-needed contribution in existing landscape. This chapter is very important for readers to analyse how research questions are answered through various methods involved.

Discussion: This chapter explores the implications of the findings for CSR reporting practices and emphasizes how the proposed ethics audit model can address the identified shortcomings. This chapter also considers the broader implications for corporate governance and stakeholder trust, offering recommendations for companies seeking to enhance their CSR disclosures. The discussion provides a platform for critiquing existing practices and advocating for a more robust approach to corporate responsibility.

2 Literature Review

This chapter defines the key concepts of the study and presents the literature review. The key concepts are Corporate Social Responsibility and CSR Audit and they are defined in the following sections. This chapter is written after delving into various literature based on works on scholars who have written extensively on Corporate Social Responsibility, Ethics Model, GRI standard, ISO 26000 guidelines and shortcomings in CSR frameworks.

2.1 Relevant Key Concepts

2.1.1 What is CSR?

Corporate Social Responsibility (CSR) is a method by which companies focus on its ethical responsibilities towards society and environment. According to Hopkin (2000), CSR is about improving both economic and social conditions for everyone involves, including employees, customers, and the wider society. The objective of CSR is that businesses should create a balance between their economic objectives and responsibility towards society. CSR is not limited to a business's contribution as part of its philanthropic services, sponsorships and charity, it is a

strategic business management idea that binds companies to follow ethical standards in everyday operations.

CSR is supported by various theoretical foundations. One of the widely-known way of understanding CSR is through Carroll's Pyramid (1991) which bifurcates company's responsibilities into four types – economic, legal, ethical and philanthropic. Carol's model sets foundational basis for CSR literature. Carol's model sets the idea that businesses are responsible to give back to society in form of voluntary initiatives.

Stakeholder Theory developed by Freeman (1984) expanded the scope of CSR application beyond shareholders. It focused on the need of considering all stakeholders, such as consumers, suppliers, employees, and the environment when making decisions. Legitimacy theory, on the other hand, focused on the idea that companies engage in CSR activities with the aim of maintaining legitimacy in the eyes of society. Institutional Theory laid down the idea that companies adopt CSR practices in response to the expectations and institutional pressures such as regulations and norms.

Dalhsrud (2008) conducted analysis of 37 CSR definitions and found 5 consistent dimensions namely environmental, social, economic, stakeholder and voluntariness. His research confirmed that although definitions vary, most of them have a common point, that objective of CSR is balancing profit with social and environmental concerns.

A study conducted by McWilliams and Siegel (2001) focused on the strategic aspect of CSR, suggesting that businesses can use CSR as a tool to gain competitive advantage. This study also emphasized on lack of set standards and challenges un defining and measuring CSR. Finally, Elkington (1997) introduced the concept of Triple Bottom Line – People, Planet and Profit which aligns CSR to sustainability.

2.1.2 Four Pillars of CSR

Archie B. Carroll (1991) gave a CSR pyramid that became most well-known models for understanding the responsibilities companies have towards society and environment. The CSR Pyramid has four pillars tarting from profitability from business to responsibility towards society.

The pyramid structure is used to indicate that some responsibilities are more important than others.

1. **Economic Responsibility:** The foundation of any business is the profit it makes; hence the economic pillar forms the base of Carroll's pyramid. The primary objective of establishment of a business is to ensure company's survival, generation of revenue sufficient enough to pay fixed and variable costs, provide returns to investors and support economic growth. A company can be expected to perform its responsibilities towards society only when it is profitable enough to contribute.
2. **Legal Responsibility:** Businesses must fulfil legal compliance, regulations and norms to survive in the market. Violation or non-cooperation of the same may result into hefty penalties and in worst cases closure of businesses. This means that companies must follow the laws applicable on them including labour laws, environmental protection laws, tax compliance, etc. Even the economic objectives are to be achieved within the boundaries set by laws. Hence, legal compliance is mandatory.
3. **Ethical Responsibility:** Ethical responsibilities are moral obligations companies owe towards its stakeholders. These obligations are generally beyond what law requires you to do, however are very important because following/ non-following of these norms set your image in the eyes of society. Society follows its own set of rules and morals of what is acceptable and what is not. Following such norms keeps stakeholders interested in the company and is an indirect marketing of company's affairs.
4. **Philanthropic Responsibility:** This responsibility is one step ahead of ethical responsibility. Undertaking ethical responsibility could be a result of societal expectation, but taking philanthropic responsibility is voluntary in nature. CSR forms part of activities in furtherance to philanthropic responsibility, which reflects company's commitment to broader societal goals beyond its business interests.

2.1.3 Why CSR?

Corporate Social Responsibility (CSR) is not just a promotional tool for companies of which by product is benefit of society. It is more complex and has become a strategic necessity for

companies in today's world. Beyond the reason of giving back to society, there are some more pertinent reasons necessitating that businesses follow CSR.

1. **Public Trust:** CSR helps in building a strong reputation in eyes of public and hence is a real asset. According to Fombrun, Gardberg, and Barnett (2000), stakeholders view companies that perform CSR activities as more trustworthy and responsible. Any business runs on 3 major stakeholders – government, consumers and investors. CSR is one of the best ways to earn respect in eyes of these major stakeholders.
2. **Positive Impact on Financial Performance:** Orlitzky, Schmidt, and Rynes (2003) conducted a large meta-analysis and found that CSR is not a financial burden, rather there exists a positive relationship between CSR and company's financial performance. The research relied on factors like reduced cost in long-term, improved shareholder value and higher profitability. CSR drives innovation when businesses take sustainability seriously by finding better production methods, efficient supply chain practices and developing eco-friendly products. Porter and Kramer (2006) argue that CSR leads to "shared value" that benefits both business and society.
3. **Manage and Reduce Risks:** Carroll and Shabana (2010) emphasize on businesses that face serious risks when they ignore CSR responsibilities. The reason behind the same is that a strong CSR planning would help companies anticipate and avoid crisis like environmental fines, consumer boycotts, stakeholder's disinvestment. It helps businesses prepare themselves for public scrutiny and regulatory changes more smoothly.
4. **Global Sustainable Development:** Blowfield and Murray (2011) stress upon the need of CSR as it plays very big role in solving challenges that exist across the globe. For instance, challenges like poverty, inequality resulting from unequal distribution of resources, environmental changes, population growth.
5. **Attracts and Retains Employees:** In a study done by Bhattacharya, Korschun, and Sen (2009), they found that employees are more engaged and contribute better when companies are socially responsible. This is because CSR creates a sense of belonging and meaning in hearts of employees. Hence, such companies become a place where people actually want to work.

2.1.4 What is CSR Audit?

CSR audit is a systematic evaluation process used by a company to show it is meeting its social and environmental responsibilities. A CSR audit helps stakeholders assess efforts business make to fulfil their social responsibilities and how truthful their claims are. The audit is used to ascertain real social performance of companies compared to stakeholder expectations.

The objective of CSR auditing process is to identify gaps between companies CSR claims and their actual practices and give stakeholders a transparent view of company's social and environmental performance. The audit process begins by evaluating performance across various categories—such as employee benefits, safety standards, environmental impact, and community service initiatives.

The process of CSR audit can be conducted internally or externally. Internal audits are conducted by company's own audit team that permits companies to self-assess the concerns and take actions to curb them. On the other hand, external audits are conducted by independent third-party organizations following the standards globally set and provide an unbiased evaluation which stakeholders consider more credible. This credibility is crucial for ensuring that stakeholders can trust the organization's social cause marketing efforts.

Many companies publish separate reports on their social activities as a promotional tool or include them in annual reports. CSR audits extend beyond tracking performance; they can guide organizations in launching new initiatives based on identified vulnerabilities or external conditions. Organizations aiming to differentiate themselves in their industries often use audits to develop innovative approaches to social responsibility marketing in collaboration with charitable organizations.

Next step is role of audit committees that oversee and check transparency of these CSR audits. Due to lack of strict rules to follow in CSR auditing, companies can highly influence the outcome of such audits, hence it becomes imperative to check how accurate such audit is. It is therefore important that audit committees work effectively because they act as a watchdog of CSR auditing process. This committee should be independent and strategically strong to ensure that CSR audits are thorough.

2.1.5 Global Standards and Requirements of CSR Auditing

Since the process of CSR auditing is chosen by companies, it is important that they follow set global standards so that CSR audits meet standards of transparency, accountability and measurable impact. Two of the most accepted standards globally are Global Reporting Initiative (GRI) and ISO 26000.

GRI provides set rules and standards that help companies report their environmental, social and governance performance. GRI in effect, help companies create CSR report by providing various ethical standards relating to treatment of workers, managing waste, supporting society, etc. It is the most accepted and used CSR reporting standard across the globe and companies follow it voluntarily. GRI indicators play significant role in creating a good CSR audit model as well.

ISO 26000 was published by the International Organisation for (ISO) in 2010. ISO 26000 is a guideline on social responsibility that lays down various parameters on which companies should base their decisions for more responsible outlook towards society. For instance, this guideline tells companies to follow ethical labour practices, fair operating practices, cater to consumer issues by an established grievance redressal mechanism, practical ways of community involvement, measures towards environmental responsibility, practices in support of human rights and against human rights violation, standards for organizational governance, etc. ISO 26000 standard works best along with GRI reporting standards and it can be used to define CSR principles in an effective audit model.

There are several more requirements that ensure credible CSR audit like requirements of stakeholder-centric approach, materiality analysis, third part assurances, measurable KPIS and performance metrics, integration with risk management and sustainability strategies, transparency in reporting practices, sector-specific customisation, monitoring and improvement cycles and other ethical concerns.

Stakeholder-centric approach suggests that CSR audit process is different from financial audits and hence its impact should reflect on wide range of shareholders. Stakeholder consideration is not just an ethical step but is fundamental to building a strong CSR profile. It is also important to take broad stakeholders' interest into account so that the audit caters to real-life perceptions.

Materiality analysis means take into account both the issues relevant to stakeholders and the company in general. Third-party assurance is another important requirement which must be fulfilled by businesses. This aim of third-party assurance is important to ensure that people who are impacted and rely on such audits get an independent assurance.

2.1.6 Scope of CSR Audit

CSR audit is the need of the hour for business to prove their dedication towards conforming to ethical business practices. It is not only important to conduct a CSR audit, but also essential that such audit is ethical and caters to the basic expectations of how businesses really perform their social responsibilities.

An ethical CSR audit clearly outlines the approach business take in accomplishing their social and environmental duties and its impact on society and stakeholders. It helps people understand the role these businesses play in their duties towards CSR standards. The opinions and comments of stakeholders are crucial in determining the main areas of concern and defining the audit's scope. An extensive CSR audit carried out by an impartial third party builds stakeholder trust in the organization. It illustrates the business's dedication to responsibility and ethical behaviour.

The scope of a CSR audit involves evaluation of the company's CSR goals, objectives, and how well these align with its overall Strategies and objectives of the firm. It further includes assessing CSR budgets and checking whether the legal obligations of the organization are met. One of the most important components is analysis of the real impact of CSR initiatives not just on the environment, but also on stakeholders. Another key area is the evaluation of suppliers and contractors, ensuring that CSR standards extend beyond the company to its broader value chain.

Investors analyze CSR reports to evaluate the sustainability and ethical performance of potential investments, while customers may use these reports to guide their purchasing choices. Employees gain reassurance from knowing their employer prioritizes ethical practices, which can lead to greater job satisfaction and loyalty. Furthermore, regulators and policymakers rely on CSR reports to ensure compliance with social and environmental laws and to create policies that encourage sustainable business practices.

2.2 Limitations of the CSR Reporting Practices

2.2.1 CSR Reporting Frameworks

The two key frameworks that guide CSR reporting are the GRI and ISO 26000. GRI framework can be applied on all types of business irrespective of their size, the sector they are involved in, or the kind of work they do. GRI standard sets practices that companies need to adopt by following a framework designed to fit needs of various kinds of business, it has indicators that focus on different aspects of businesses that relevant stakeholders look for in a CSR report. This framework offers flexibility by letting businesses select which indicators are suitable for their firm, and which are not. However, sometimes this flexibility becomes a big hurdle because flexibility allows companies not to choose even those indicators which are important for the assessment.

ISO 26000, is another widely accepted standard for CSR. This standard is not a certifiable standard but limits itself to setting guidelines for businesses to act in a way that conforms to their social duty. ISO standard focuses on practices that businesses should follow including compliance and ethical conduct. Similar to GRI, this standard can also be followed regardless of size of companies or other factors.

2.2.2 Shortcomings of Current CSR Reporting

There are still notable gaps in CSR reporting practices even though GRI and ISO exist. These gaps hinder the ability of CSR reports to promote trust among stakeholders.

One major drawback of the GRI framework is lack of standardization and certification. As mentioned above, GRI offers flexibility in selecting which indicators can be used in reporting. This flexibility results in big differences in the scope of CSR reports. Benefit of such flexibility is that it allows companies to customize their reports to fit their requirements, but it can't be ignored that it also creates differences that come into the way of required comparisons of CSR performance between organizations. It must be understood that both GRI and ISO 26000 are voluntary frameworks and it is a no brainer that such voluntariness and flexibility leaves wide room for discrepancies. This no compulsion for business to follow these practices which leads to lack of enforcement mechanisms as well. And lack of eventual enforcement further leads to lack of

accountability which defeats the whole purpose of such frameworks. Since reporting standards and even following any standard at all is not a requirement, companies perform poorly and have an easy way to not perform their duties or follow standards. This selective following to evade tax and show that businesses follow CSR norms also comes under “greenwashing” that these companies now do and eventually weakens the worth of these CSR reports.

Another major problem is the leeway that these companies use by providing misleading information. Businesses only focus on positive achievements and neglect the 100 areas they encounter challenge in. They would like to mention about 100 plant seeds they sowed then about 1000 trees they had to cut. This selection in itself violated the very purpose of CSR and in no way is an ethical approach. It can thus be clearly seen that many CSR reports fall short in involving relevant stakeholders throughout the reporting process. This non selection eventually leads to reports that fail to capture the concerns and interests of all parties involved. And such reports serve no real purpose but only diminish their relevance and credibility. If companies continue neglecting to involve stakeholders, they risk overlooking significant issues that matter to them but are of no importance to management. For CSR reporting to really do what it is supposed to do, it must be woven into the overall business strategy, ensuring that social and environmental factors are key components of decision-making processes.

3 Research Methodology

This chapter of thesis focuses on various research methods and designs used throughout the study. Aim of the chapter is to understand details pertinent to qualitative approach used. To aid users with the process, this chapter is structured into two main sections which are Research Approach and Research Context.

3.1 Research Approach

The Research Approach section describes the qualitative research design, specifying the approaches used, including case studies and interviews, and why they were used. The thesis employs a qualitative research design, which is best suited to examining complex phenomena such as CSR. This kind of research aims to understand people's meaning of their experience and is hence the best methodology to examine how organizations implement CSR practices.

Qualitative research is open-ended in design, allowing scholars to examine lesser-studied CSR reporting and stakeholder dialogue subjects. Qualitative research involves studying organizational conduct impacted by geographic region cultural, economic, and social dynamics that produce high-level data potentially overlooked with quantitative methodologies (Creswell & Poth, 2018).

Semi-structured interviews will be used in order to give room so that it enables researchers to go deeper into different topics as they arise when they talk. Understanding these different opinions is central in judging the effectiveness of CSR activities (Bryman, 2016).

The qualitative approach enables careful scrutiny of case study and interview transcripts to identify patterns, themes, and relationships that cannot be achieved through the application of quantitative analysis. Qualitative results can offer insights for practical recommendations on how companies can enhance their CSR practices and stakeholder engagement processes.

3.2 Data Sources and Collection

Effective data collection was a core aspect of this study research because it directly had an impact on the quality and applicability of results in terms of CSR and stakeholder engagement. Data collection in the study was done through several techniques to provide in-depth insights into issues in the study.

A principal stakeholders' semi-structured interview was undertaken. Document analysis complemented the qualitative information that was gathered using interviewing. The types of documents that were analyzed are outlined above. Organizational annual CSR reports gave information on their CSR activities, goals, and performance indicators. The reports were analyzed to determine the completeness and transparency of the CSR reporting regimes. Internal CSR initiative policies, stakeholder management, and sustainability practices were analyzed to learn about the organizational regime that affects CSR initiatives (Saunders et al., 2019).

To make it easy to collect quantitative data and complement qualitative results, a structured questionnaire was prepared for interview respondents. Questions were framed in a manner that enabled stakeholders' perceptions regarding the influence of CSR initiatives on employees,

communities, and organizational reputation overall to be measured. To determine participants involved in the interviewing process, participants needed to fulfill some requirements to qualify.

Participants must be working in medium and large-scale organizations of the chosen industries (manufacturing, retail, healthcare, IT). Participants must be working at a level matching CSR activities or stakeholder interactions (e.g., CSR managers, staff working on CSR projects). The study excluded participants who were not having direct association or information about CSR activities within their company. Participants from companies lacking structured CSR practices were also excluded. Reports from organizations that were actively involved in CSR activities over the years 2018–2023 were considered. Internal policy reports on CSR practice, sustainability targets, and stakeholder engagement tactics were utilized. Reports with no data on CSR activities or not detailed enough regarding stakeholder engagement processes were discarded.

For the purpose of this study, primary data was gathered using qualitative interview. It was held on February 25, 2025, and a single participant was interviewed. The interview process was held over Microsoft Teams virtually and took almost 28 minutes. English language was employed to hold the interview. The participant is the Chief General Manager (Human Resource Development and Business Excellence) of Bhilai Steel Plant (BSP). She had been actively involved in CSR activities, employee participation schemes, and BSP's corporate sustainability initiatives. Her rich experience and professional knowledge enhanced the research, especially in CSR operationalization and ethical business practice. The interview was tape-recorded with permission and manually transcribed by the researcher for content analysis. The information gathered were utilized to comprehend the actual-world problems and practices concerning CSR, enriching and making the research theoretical framework more relevant.

Proper data collection is a very key element in this research study because it has a direct linkage with the evidence quality and reliability on CSR and stakeholder engagement. Data collection in the study was carried out by various channels in the attempt to build a good comprehension of the research concerns. Semi-structured interviews were undertaken among critical stakeholders. Document analysis was used in order to enhance the qualitative data garnered from the interviews.

3.3 Data Analysis

A systematic approach was used to analyse the data collected through interview and document analysis. The analysis included one main method: thematic analysis for qualitative data.

Thematic analysis was based on various factors like familiarisation with data by reading thoroughly transcription of interviews and relevant documents to understand the content, generating initial codes from the data to identify significant features that relate to the research questions. The initial codes were grouped into potential themes based on their similarities and connections to broader concepts related to CSR practices and stakeholder engagement. The identified themes were reviewed against the dataset as a whole to ensure they accurately represent the data. The final themes were presented in relation to the research questions, supported by direct quotes from participants to illustrate key findings wherever possible (Braun & Clarke, 2006).

NVivo computer program was employed during the qualitative data analysis and management gathered through document analysis and interviews. NVivo facilitates effective coding, theme identification, and organizing of qualitative data. Excel was primarily applied for initial organizing of data, descriptive statistics, and simple graphical representation of quantitative results (QSR International, 2020).

3.4 Verification of Findings

Findings verification is the qualitative process in research which makes the research credible and valid. Proving to the reader or audience that research was carried out to a standard level of quality, as well as interpreting that findings were readable and credible, is paramount in research validity and credibility establishment. This section describes the methods used to validate the findings achieved using qualitative data collection techniques, i.e., interviews, document analysis, and questionnaires. To ascertain the validity and reliability of the thematic analysis, the research used a number of strategies:

1. Triangulation: Comparison between data from various sources or different types of data to check consistency of findings. Comparing and contrasting findings of these multiple sources the research is conducted to boost overall credibility of findings. (Denzin, 2012)

2. Member Checking: Giving respondents a preview of findings to check against the researcher's meanings. By participant involvement in this verification process, the research increases trustworthiness while allowing room for clarifications or correction where deemed necessary. (Lincoln & Guba, 1985)

3. Peer Review: The peer review process, being collaborative in nature, increases rigour in research practice and supports overall quality of research. It gives a second level of check and validation. (Maxfield & Babbie, 2015)

4. Audit Trail: By keeping it means recording all stages of the research process establishing transparency and accountability of how conclusions were reached from the data. Maintaining proper records of all data that were gathered, how the data was coded, and decisions that were made in the process of analysis. (Yin, 2017)

3.5 Research Ethics

Ethical consideration is at the forefront of creating this thesis. Whether it is getting informed consent or ensuring participant anonymity, utmost respect for every ethical concern in research is accorded. All participants will be made aware of the study's purpose prior to participating, on how the information will be used, and their rights—most importantly, their right to withdraw at any time without penalty. Participants will be provided with sufficient time to pose questions and clarifications prior to consent (Silverman, 2016).

Identification data of all the participants will be eliminated from the reports and the transcripts to avoid any form of identification. Only the authorized personnel involved in analysis will store and maintain data acquired through surveys and interviews. On top of this, all verbatim quotes that will be utilized in reporting effects will be anonymized to confirm the participants remain anonymous. Hard copies of the documents shall be kept in security buildings in closed cabinets to prevent unauthorised access was access.

Data retention regulations will ensure personal data is retained for no longer than it takes for research needs before being safely destroyed. Data protection procedures will satisfy applicable lawful requirements regarding data privacy and security (e.g., GDPR). Safe storage processes will

be utilised, including password-secured documents and encoded databases for information that is electronic.

4 Results

This chapter analyses all the data and literature seen throughout the process of thesis. The data collected through various surveys conducted online, interview answers and existing statistics is used to understand the outcome of research.

4.1 Empirical Data Analysis

Table 1 presents identified CSR Findings, Data and Trends and Interpretation.

Table 1: CSR Findings, Data and Trends and Interpretation

Findings	Data and Trends	Interpretation
How is CSR reporting done among S&P 500 companies	98% of SNP 500 companies actively publish CSR reports.	While reporting is near-universal, this statistic doesn't indicate the depth, authenticity, or impact of the reports. Many companies adopt a "check-the-box" approach, leading to greenwashing and data overload without strategic insight.
Rapid Growth in Reporting in Asia-Pacific	Sustainability reporting rose to 92% from ~50% over a few years.	Indicates rising global adoption of CSR, yet many reports in emerging markets lack independent verification and focus more on external branding than internal ethical reform.
Expansion of Regulatory Scope through CSRD	Over 50,000 companies need to comply with CSRD from 2024 onwards.	A major step toward standardization, but it also creates compliance pressure. Many firms may struggle to align their current CSR practices with materiality-based and double materiality principles.
Disclosure of Double Materiality Assessment	77% of reports included this in 2024, up from 55% in 2023.	Reflects growing attention to financial and societal impacts, but the quality and robustness of these assessments vary. Lack of trained personnel and ethical benchmarks limit their applicability and comparability.
Russell 1000	93% released reports	High prevalence in large-cap firms, yet reporting often

Sustainability Reporting	in 2023.	remains marketing-centric, failing to address ethical lapses or internal conduct issues.
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Table 1 throws light on qualitative findings, quantitative trends, and interpretive insight into global CSR reporting practice. Table 1 recognizes increasing institutionalization of CSR disclosure across markets but also suggests continuing shortfalls in verification, stakeholder participation, and ethical richness. Table 1 seeks to serve as a yardstick against which one can identify where existing CSR frameworks are wanting—thus ultimately justifying the inclusion of ethics audits as subsequently discussed in greater detail in the thesis.

The first two ones are concerning the prevalence of CSR reporting among the large corporate benchmarks: S&P 500 and Russell 1000. From the data at our disposal, it is possible to learn that 98% of S&P 500 companies and 93% of Russell 1000 companies now publish CSR or sustainability reports. On prima facie grounds, these statistics present the picture of an established and settled reporting culture. But interpretation advises against taking the figures at face value. Many of these reports are template or "checkbox" in character, with appearance outranking content of change. In fact, Christensen et al. (2021) and Adams (2017) documentation has established that these reports incline towards greenwashing—advertising sustainability intentions without actual fulfillment or ethical value. These initiatives can mislead stakeholders and erase the original intent of CSR.

The third column is that of the Asia-Pacific region, which has shown a dramatic rise in the adoption rate of CSR, with reporting levels at 92% against about 50% in recent years. This dramatic rise speaks volumes about the internationalization of CSR as an expectation norm even for emerging economies. But the interpretation provokes critical issues: no external validation, superficial measurement, and further preoccupation with external branding instead of organizational change. Where there is weak regulatory pressure or less developed standards, CSR can instead be seen as a reputational tool and not a governance tool. This aligns with Husted et al. (2018) research that business entities in rapidly developing economies would like to see themselves rather than others seeing them.

The following submission is an illustration of a regulatory driver, citing the EU's Corporate Sustainability Reporting Directive (CSRD), requiring ESG reporting by over 50,000 companies in 2024. This is a paradigm shift in CSR regulation requiring compliance with double materiality and stakeholder responsibility. While this development overall is good for transparency, it introduces new compliance challenges, notably for firms that do not have a formal CSR infrastructure or staff experienced in sustainability reporting. Others will struggle to bridge the gap between aspirational reporting and business transformation—showing a disconnect between rule and behavior.

The last note also refers to double materiality testing implementation, in which not just do companies consider how they are impacted by societal and environmental issues (financial materiality), but also how they impact society and the environment (impact materiality). The growth from 55% to 77% within one year is remarkable. However, the explanation states that others apply double materiality as a procedure in reporting rather than an exercise in thought. With no trained professionals and formulated ethics guidelines, disclosures under such circumstances can end up being symbolic and not revolutionary. This is particularly an issue for this thesis, which claims that ethics audits can potentially offer greater insight into patterns of behavior and responsibility of culture—beyond compliance.

Overall, these observations in Table 1 show that although CSR reporting has become ubiquitous globally, it still has to complain about superficiality, ethical foundation, and internal accountability. Recent standards like GRI and ISO 26000, while handy for outward purposes, remain, at their core, output-driven. They will indicate what business organizations claim to be doing but rarely how and why they are doing it—and whether those actions are being guided by their internal ethics and daily practices.

Table 1 lays the basis for the form-function gap of CSR. It lays the basis for analyzing how ethics audits can be employed as a behavioral and cultural diagnostic tool to complement traditional CSR models by invoking the questions of authenticity, internalization, and ethical governance.

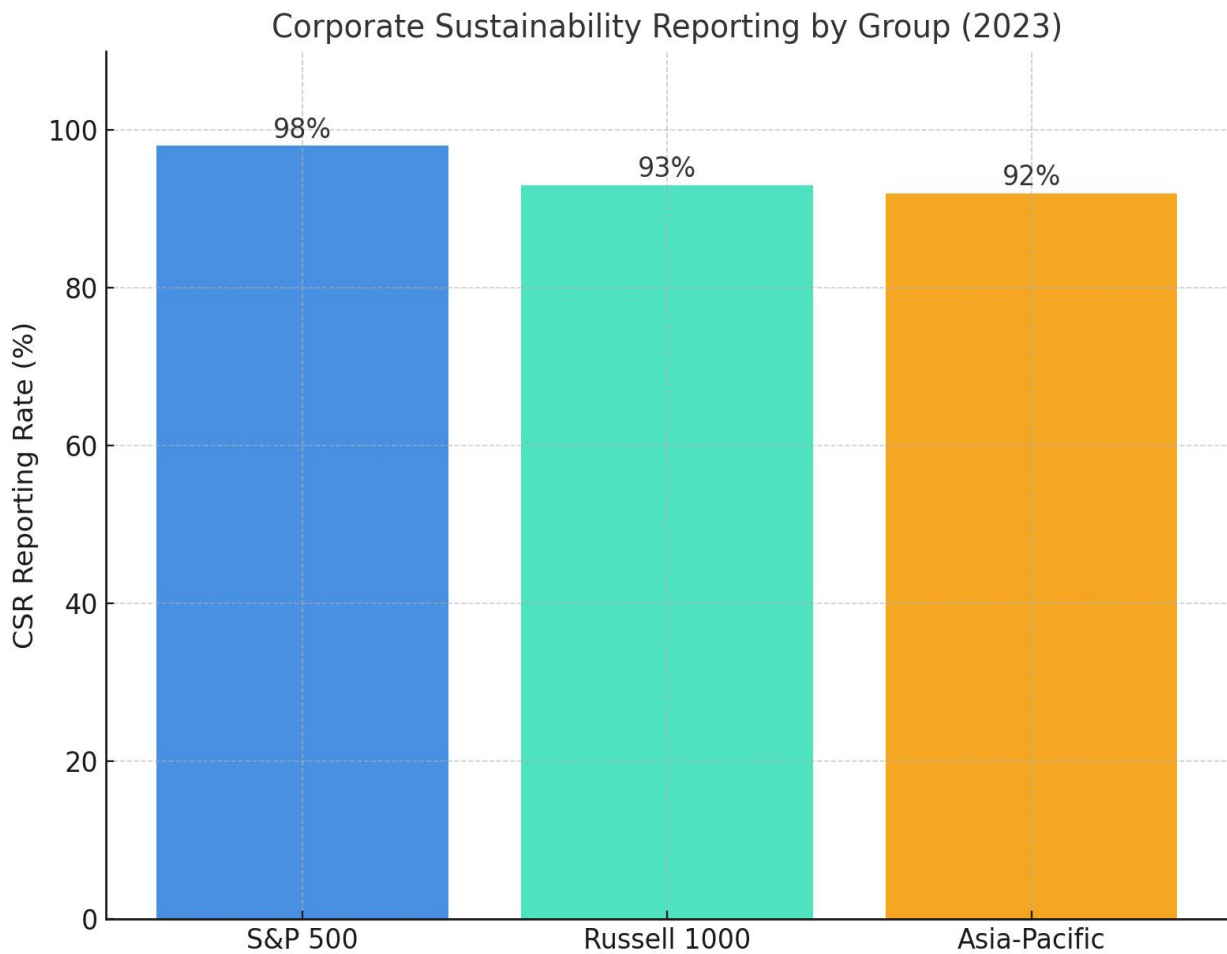


Figure 1: Corporate Sustainability Reporting by Group (2023)

Figure 1 shows the percentage of sustainability reporting among three of the largest corporate groups: the S&P 500, Russell 1000, and Asia-Pacific companies. Although the S&P 500 takes the lead with a near-unanimous 98% reporting rate, the Russell 1000 and Asia-Pacific companies are close behind at 93% and 92% respectively. These statistics illustrate the manner in which CSR reporting is increasingly becoming a regular practice in both Western and emerging economies, bridging regional as well as economic gaps.

Yet whereas this data confirms the qualitative rise in CSR disclosures, it also poses an appropriate analytical query: does high reporting necessarily equal high ethical performance? The overall take-up in this case typically hides considerable quality variation, richness, and third-party assurance of CSR practice—problems already indicated in Table 1. For example, despite all the high levels of participation, numerous reports are short of third-party assurance, do not

cover behavioral or culture risk, and are still reputation-driven rather than systemic ethical governance.

Thus, although Figure 1 constitutes evidence of CSR diffusion globally, it also reinforces the thesis argument: prevalence itself in reporting is not necessarily evidence of ethical integrity or organizational accountability. The shift to the second phase of CSR should thus be focused not so much on "who is reporting," but what, how, and with what internal ethical diligence—arguments supporting ethics audit inclusion.

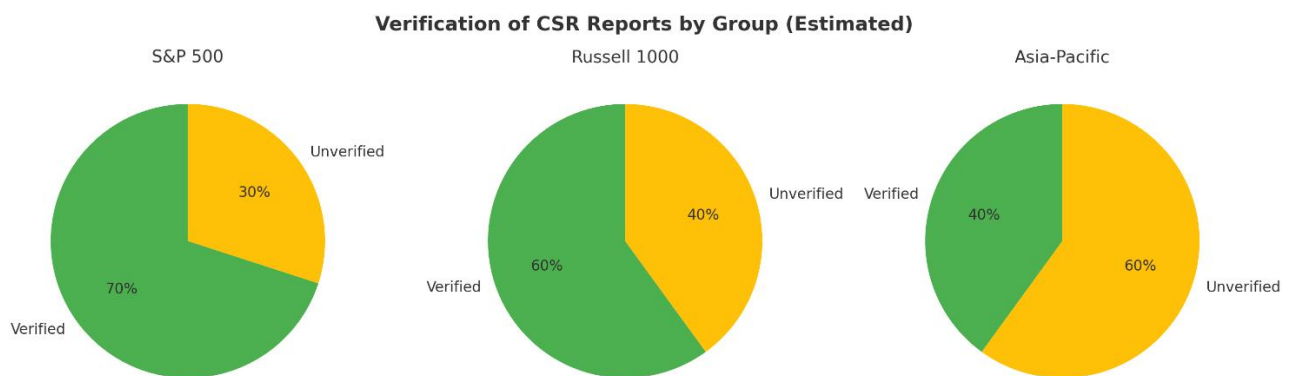


Figure 2: Verification of CSR Reports by Group

Figure 2 displays pie charts illustrating verification practice distribution across large corporate sectors. In the S&P 500, a historical high of 70% CSR reports are third-party assured, with greater transparency and accountability. Second is the Russell 1000 with 60% verified reports, followed by the Asia-Pacific companies with 40% externally verified. The aesthetic emphasis on unproven disclosure among Asia-Pacific firms identifies the challenge of a systemic exposure to credibility. Following CSR's evolution into a tool of strategic communication, the absence of substantiation increases the likelihood of symbolic reporting in which ethics are asserted but not backed.

This observation underscores the thesis that not only is verification procedural, it is also ethical, playing a trustee role in trust. That Table 1 and third-party assurance in CSR literature attests (Michelon et al., 2015; Moser & Martin, 2012) that deficiency in third-party assurance is susceptible to weakening stakeholder trust makes embedding ethics audits in company culture a

framework with which not merely to verify, but to metamorphose CSR from reputation building to responsibility accounting.

Table 2 demonstrates why the unique character of ethics audits overcomes shortcomings of ordinary CSR reporting in contributing to corporate ethical governance.

Table 2: Impact of Ethics Audit and CSR Reporting on Ethical Governance

Core Function of Ethics Audit	Empirical Data	How it fills CSR Reporting Gaps?
Compliance and Detection	Companies conducting regular ethics report a 30% increase in internal compliance and fewer regulatory breaches.	CSR reports tend to be retrospective and outcome focused, while ethics audits are preventive and system focused.
Internal Ethics Culture	Ethics audits assess how effectively employees internalize ethical training, not just whether such program ex	CSR disclosures often mention policies, but rarely measure their behavioral impact.
Risk Detection & Fraud Prevention	Firms using ethics audits report fewer ethical breaches and reputational risks.	Ethics audits provide confidential, internal diagnostics, CSR reports may omit or understate misconduct.
Audit Analytics	Ethical red flag models show 72.9% accuracy in identifying risk prone behavior.	CSR reports lack predictive tools, ethics audits can support real time ethics surveillance using AI and analytics.

The first line in Table 2 indicates that companies with frequent ethics audits observe an increase in compliance by 30% and decrease regulation infractions. Unlike CSR reports that prefer to report cause-and-effect measures after the incident, ethics audits operate pre-emptively and detect ethical risk prior to causing problems.

Second, ethics audits quantify the range and relevance of ethics training, assessing whether staff members actually learn and implement ethical standards. CSR models typically affirm the presence of training policy but rarely assess their internal effectiveness.

Third, ethics audits facilitate early detection of misbehavior. Their privileged position allow honest self-evaluation, while CSR reports address external image, leading to selective disclosure or image management. Finally, predictive functionality in ethics audits provides a mechanism of regulation in advance on ethics, employing data analytics to predict risks. CSR reporting, by contrast, is static and retrospective, and firms are not provided with mechanisms that are prospective.

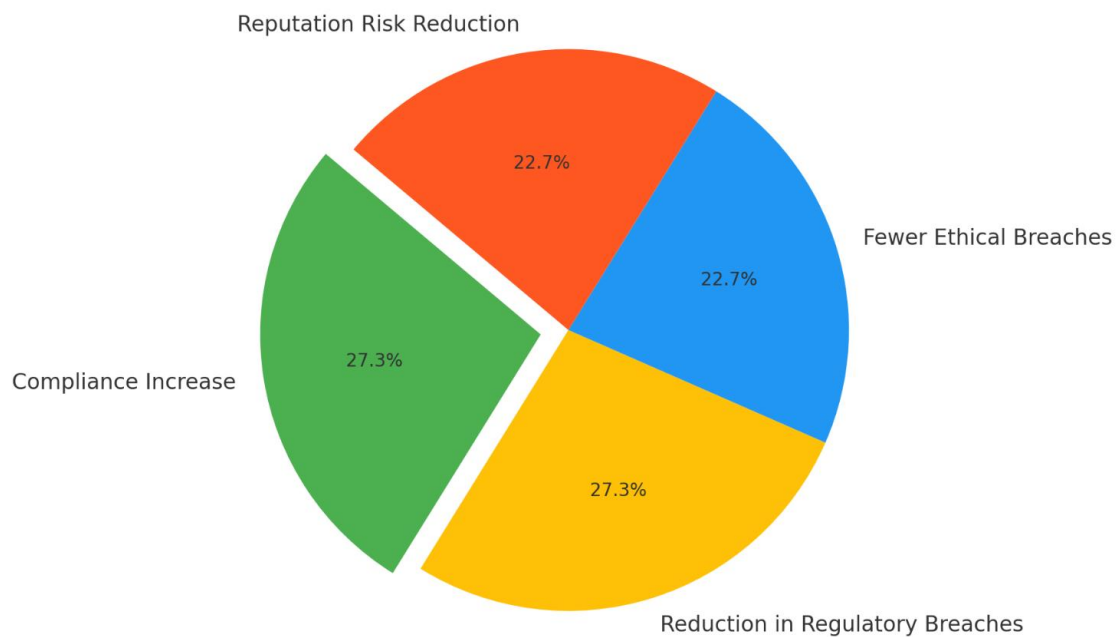


Figure 3: Ethical Impact Areas Improved by Ethics Audits

Figure 3 is the demonstration of the major areas in which ethics audits make corporate conduct and governance significantly better.

30% compliance improvement is the top section demonstrating how ethics audits improve compliance with laws and regulations, as well as internal codes of conduct. There is the same priority given to eliminating regulatory infractions testifying to the deterrent power of ethics audits.

Ethics audits also result in a 25% reduction in unethical activity and reduced reputation risk, proving their worth in the internal accountability development process. These results affirm that

ethics audits are not only an evaluation tool but an active mechanism that initiates cultural and behavioral change—something static CSR reports will fail to accomplish.

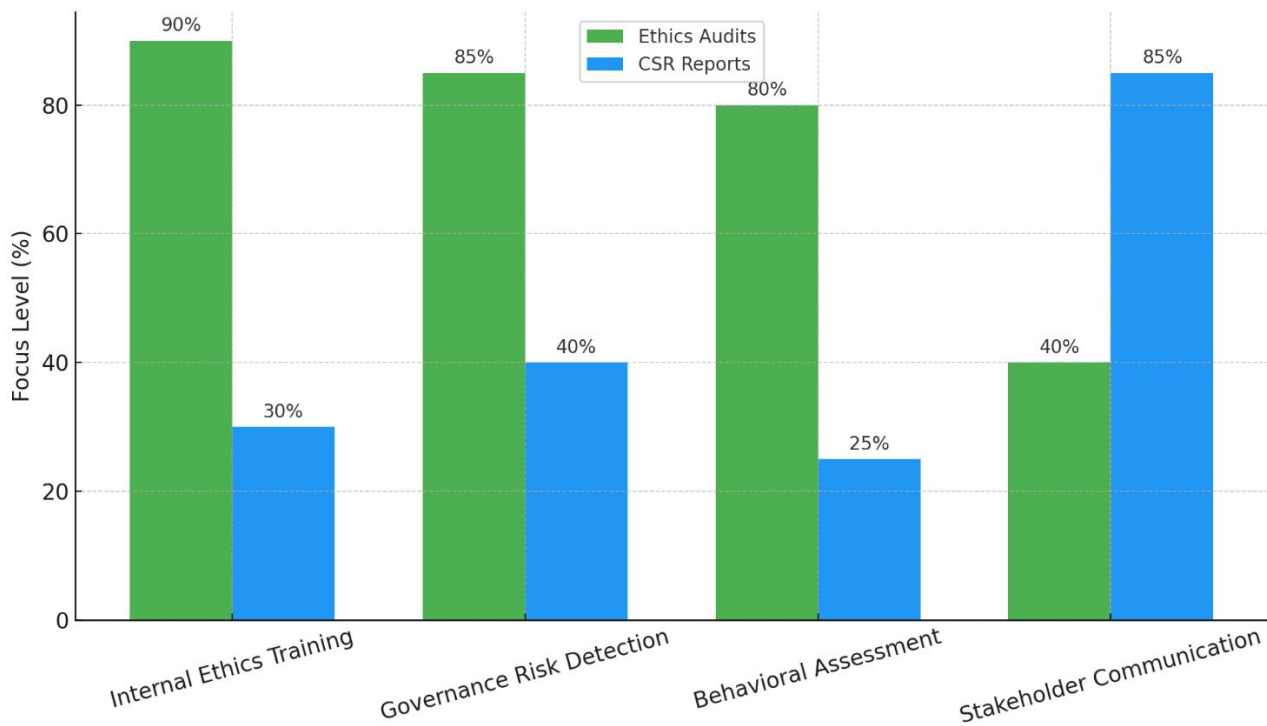


Figure 4: Focus Areas of Ethics Audits and CSR Reports

Figure 4 illustrates the CSR Report areas of focus vs. areas of focus for Ethics Audits in four general categories. Ethics audits strongly overwhelms CSR reports with regard to measurement of employee ethics training internally (90%), sensitivity to governance risk (85%), and measurement of behavior awareness (80%)—areas CSR reporting is relatively behind (30%, 40%, and 25%, respectively).

In contrast, stakeholder communication is overshadowed by CSR reporting (85%) reflecting their external PR-oriented outlook, and ethics audits pay less attention to the same here (40%), but more attention to internal responsibility.

This observation shows that CSR reporting is an activity looking outward, usually reputation management-driven, and ethics audits are look-inward activity, aimed at bringing actual change through self-reflection and moral alignment.

Together, the evidence substantiate the thesis that ethics audits are a complement to and a check on the shortcomings of CSR reporting, above all in gauging corporate integrity internally.

4.1.1 Interview based Analysis

In addition to the inferences drawn from secondary data sources, primary data obtained from an exclusive interview with a senior executive of Bhilai Steel Plant (BSP) also provide deeper insight into how CSR reporting models are practiced on the ground and issues encountered at the grassroots level. BSP implements a systematic and multi-faceted approach to CSR disclosures in which globally known standards like Global Reporting Initiative (GRI) G3 Standards and ISO 26000 are considered for the provision of lengthy and transparent disclosure. In addition to the above, BSP incorporates some environmental practices with the Task Force on Climate-related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB) guidelines, specifically carbon emissions, energy usage, and waste management. These fifteen key performance indicators (KPIs) are part of their annual CSR reports and are third-party audited to determine their credibility and transparency to stakeholders such as local communities, investors, and regulatory bodies.

Despite the effectiveness of this system, BSP is left with substantial challenges in implementing and maintaining CSR report standards. There is a common challenge of collecting data, mainly due to size and complexity of operations. While certain 60% of data is obtained from internal systems where BSP has more control, certain 40% is obtained from external sources, such as third-party suppliers and community partners. Information coming from outside often arrives later than anticipated, and it may create delays and potential inconsistencies. Collecting intricate environmental data, such as carbon emissions, is most difficult since these need several verification levels from the various operating sites before effective reporting. Furthermore, BSP still encounters difficulties in dealing with stakeholders since incorporating qualitative comments in official CSR reports is still a problem. Around 30% of the stakeholder perception collected belongs to subjective categories such as social well-being and community sentiment that are not

quantifiable in a meaningful way through standard reporting templates. Furthermore, the interview exposed significant deficiencies in current CSR guidelines.

Though as exhaustive as GRI and ISO 26000 are in providing guidance on social and environmental reporting, the latter is even more reliant on short-term effects and fails to encompass the long-term sustainability objectives of organizations. While tangible outputs like carbon footprint and water consumption have been well recorded, more lasting and substantial effects of activities in the areas of community development and employee welfare are less documented. ISO 26000, in fact, does not have a standard reporting framework, which restricts comparability of CSR impacts across industries and firms. Furthermore, BSP also reported that approximately 25% of their CSR activities—particularly ethical supply chain behavior, employee health, and work place safety—are poorly covered in the existing frameworks, thereby resulting in significant reporting gaps. These limitations have tangible impacts on the transparency and effectiveness of BSP's CSR reports.

Auditors, in the 2023 external audit, noted inconsistencies in carbon emissions monitoring disclosures, ethical supply chain management disclosures, and assessment of long-term social programs. BSP responded by implementing a total overhaul of its reporting framework. The company broadened its disclosure framework to include qualitative measures, including improvements in healthcare access, educational program effects, gender equality efforts, and renewable energy advancements. These supplements were designed to provide a fuller picture of the company's contribution to society and the environment and more than failures of conventional narrow short-term performance measures. Picking up on the failure left behind by prevailing CSR frameworks, BSP embraced the ethics audit model in order to boost its corporate ethical governance.

Ethics audits are carried out biennially, thoroughly examining more than twenty key ethical standards such as anti-corruption practices, protection of labor rights, ethical business behavior, and operational transparency. Ethical standards are applied to BSP's suppliers through the compulsory utilization of the Ethical Sourcing Guidelines to ensure that supply chain operations conform to the company's ethical standards. These audits take a prime role in improving BSP's internal moral culture as well as augmenting the quality and content of its CSR disclosure. The utilization of ethics audits was not humpless, though.

First, there was initial resistance from about 45% of the department heads based on fears regarding additional administrative burdens. As a response to this, BSP conducted awareness campaigns and training exercises with the purpose of demonstrating the strategic significance of ethics audits within the process of strengthening corporate governance as well as stakeholders' confidence. As a result of this, resistance levels dropped by approximately 30%. In addition, utilization of process automation software made it easier to collect data for ethics audits, which lessened the operational load on departments and eased integration into the overall CSR reporting system. Defects in current CSR reporting standards have also given strategic advantages to BSP.

Specifically, the lack of consistent long-term measures caused a 10% loss in attaining the company's 2023 sustainability objectives, particularly concerning community health and energy efficiency outcomes. To help solve these problems, BSP put money into real-time monitoring technology, which enabled a 25% increase in CSR report timeliness and accuracy within one year. Additionally, the company is creating a long-term effect model internally, which will be utilized to assess with precision the longer-term economic, environmental, and social impact of its CSR efforts over the period of time. This venture will fill up the gaps behind previous frameworks. The company deals in the industry of steel production, whose topics are industry-oriented besides adding complication to CSR disclosure further.

Production of steel is an energy-intensive procedure with long environmental and social ramifications, such as high greenhouse emissions and resource-intensive practices. While GRI and ISO 26000 provide general guidance, they cannot take into account all the working nuances and procedures for steel production. Hence, BSP complements the above guidelines using industry-specific best practices, i.e., association with the Carbon Disclosure Project (CDP) and compliance with TCFD standards for better environmental disclosures. BSP's active membership of World Steel Association and participation in multinational collaborations for enhancing the safety of employees indicate a forward-looking approach to developing and following sector-specific CSR best practices. The key findings of the interview clearly show the real benefits BSP gains from strong CSR and ethical leadership practices.

Stakeholder confidence has grown by some 40%, investor faith by 35%, and brand equity by almost 50% due to sustained, transparent, and ethically rooted CSR reporting, as highlighted by

the interviewee. Outcomes of the interviews also reiterate an urgent call for CSR reporting guidelines to continue evolving. Specifically, BSP is calling for long-term impact measuring indicators to be added to frameworks so that business can report their social and environmental contributions more and better. Or else, CSR reporting will still only promise reporting shallow successes and not the long-term, more profound impacts anticipated by good corporate citizenship.

5 Discussion

This chapter explains and places the research findings within the theoretical concepts and practical uses of CSR reporting and ethical auditing. As CSR has expanded as a global trend among prosperous firms, such analysis in this present thesis identifies critical shortcomings in the depth, authenticity, and continuity of current CSR reporting systems. Even as voluntary reporting systems like GRI and ISO 26000 have gained widespread use, companies still selectively report positive news while hiding or withholding ethical weaknesses—practices that erode stakeholder trust and the culture of accountability.

The study highlights the growing significance of ethics audits in mitigating all these issues. Ethics audits not only improve internal regulation but also enable improved and behaviorally correct measurement of a corporation's social responsibility initiatives. Based on secondary data and case study of Bhilai Steel Plant (BSP), the following discussion explains how adopting ethical audits provides strength to stakeholders' engagement, maintains adherence, and makes CSR an ethical practice from the reputation-building process.

The chapter is organized into a number of thematic sections, beginning with the reconciliation of findings with prevailing CSR theories, then assessing reporting framework shortcomings, and subsequently a critical examination of ethics audits as a substitute model. It goes on to discuss technological, industry-specific, and governance-related implications, and finally concludes by setting research limitations and policy suggestions.

5.1 Theoretical Alignment and Divergence

The results of the current research strongly support and contradict some of the classic Corporate Social Responsibility theories. Basically, the research validates Stakeholder Theory (Freeman, 1984), according to which firms are obligated to act in the interests of all stakeholders, not only shareholders. Ethics audits, by their very nature, bring responsibility to internal stakeholders (employees, suppliers) and external stakeholders (communities, regulators), making their problems not merely documented but intertwined into organizational behavior. BSP's transition to stakeholder-based reporting and ethics audit practices is testament to such a theoretical position since enhanced stakeholder trust was stated as a direct consequence of such a reform.

The study also verifies Legitimacy Theory, in which companies implement CSR practices for the purpose of obtaining social license and legitimacy from society (Suchman, 1995). However, the study shows an important divergence in this regard: whereas companies usually refer to CSR practices as a means of ensuring legitimacy, insufficient verification mechanisms tend to make such reports worthless. BSP's experience shows that legitimacy based on voluntary, unverifiable disclosure remains precarious. Only when BSP began ethics audits—stricter, internal, and confidential analysis—did it have a real surge in stakeholder confidence, illustrating the limitations of symbolic CSR practices and the importance of substantive ethical accountability.

In addition, the research builds upon the Institutional Theory of CSR (Matten & Moon, 2008), which suggests that firms embrace CSR practices because institutions of society exercise normative pressures. Globalization of CSR reporting, particularly in Europe and the Asia-Pacific region, confirms this argument. However, institutional-only frameworks like GRI and ISO 26000 are not adequate without enforcement, as per the research. Ethics audits become a regime that translates institutional pressure into conduct accountability. They translate institutional expectations into action by turning ethical oversight into a part of daily decision-making.

Carroll's Pyramid of CSR (1991), where economic, legal, ethical, and philanthropic responsibilities are tiered, also meets both confirmation and criticism with the outcomes. While most organizations, including BSP, handle economic and legal expectations, ethical and philanthropic levels stay on the inspirational stage. Ethics audits do permit organizations to review and enhance performance on these highest levels, however. BSP's case shows philanthropic objectives like

community building and health initiatives became credible and notable only after incorporating ethics audits and models of long-term effects—implying ethics audits may facilitate operationalizing higher levels of Carroll's pyramid to a larger degree.

The study debunks the Triple Bottom Line concept (Elkington, 1997)—People, Planet, and Profit—by showing how profit tends to be the star of CSR reports. Even though companies write plenty about green and social initiatives, such reporting does not typically measure depth-wise or critically introspected. Ethics audits restore balance by putting behavior metrics and risk assessments at center stage of responsibility. The integration of predictive technologies of AI, as thus debated in research here, further enhances such equilibrium by actively scanning for ethical risks prior to reputational or legal harm.

5.2 Incorporation of Ethics Audit as part of CSR Governance

Ethics audits come out of this research as a pioneering tool that is capable of remedying the built-in vulnerabilities in existing CSR reporting frameworks. Unlike standard CSR reports, which were outcome-based and measured through quantifiable indicators, ethics audits investigate values, conduct, and internal paradigms. This makes them a forward-thinking tool and not a backdoor revelation tool. The BSP and secondary evidence also indicate that ethics audits foster a culture of self-reflection, leading to better compliance, increased stakeholder trust, and detection of ethical risk at an earlier stage.

Preventive potential of ethics audits is likely to be their strongest point. According to the report, businesses that undergo ethics reviews regularly are said to see up to a 30% boost in compliance and a significant decline in regulatory infringements. These findings are diametrically opposed to the purpose of CSR reports, which themselves are more an exercise in branding than vehicles of ethical management. In BSP, ethics audits picked up areas of weakness in employees' rights guarantees, supply chain integrity, and community investment well ahead of time for these problems to subsequently degenerate into public scandal or expense. Prospectivity of this sort makes organisations more resilient and improves stakeholder confidence in reliability.

Additionally, ethics audits provide a vehicle through which the true effectiveness of ethics training and culture initiatives can be measured. Beyond mere reporting that training programs are in

place, audits investigate the degree to which ethical values are internalized and embodied within the organization. This bridges the most critical gap between policy and practice. For BSP, ethics audits enabled knowing that ethics programs were being applied, but their impact differed wildly by department. This knowledge enabled targeted intervention, training improvements, and new performance measures.

Second, ethics audits have an innate behavioral strength. While CSR models that measure environmental footprints or social contributions assign numbers to them, ethics audits look at how employees decide, what governance processes they have, and how values become translated into daily work. This makes ethics audits not only more attuned to organizational culture but also more context-transcendent across industries and geographies.

Technologically, ethics audits will be even more potent. Deployment of AI-based predictive models—the ability to spot ethical risk behavior with more than 70% accuracy—marks the beginning of dynamic and data-driven governance. The models enable real-time monitoring of ethics, fraud detection, and performance prediction, which is not feasible using static CSR reporting templates. BSP's early adoption of real-time monitoring tools proves that ethics audits may be included as part of technology advancement to get more precision, less administrative cost, and lesser reporting time duration.

Finally, ethics audits permit ethical risk handling in a safe environment. CSR reports are free to scrutiny in the public view and hence stay away from leaking unpleasant realities. Ethics audits, being internal and confidential, are an environment where ethical failures are less costly to confess and correct without instant reputational cost. Such a combination of public CSR reporting and internal ethics auditing provides a balanced, legitimate system that enables organizations to be transparent externally but severely self-critical internally.

The ethics audits provide a full, flexible, and pro-anticipatory model that not only complements but also significantly enhances CSR programs. They reflect the transparency, accountability, and ethical integrity values that existing reporting frameworks strive to attain but cannot furnish on a regular basis. Thus, their incorporation into CSR governance cannot be seen as an add-on but as a mandatory evolution.

For ethics audits to reach their highest level of impact, they must be institutionalized within the corporate governance system. This section addresses how ethics audits not only are reporting tools but also are governance tools that inform decision-making, risk management, and organizational culture.

Leadership commitment is one of the most significant revelations of BSP's case study. Ethics audits will not work if they are relegated to extrinsic compliance procedures or add-ons. Rather, they must be internalized into the model of governance—utilized by autonomous ethics boards, tied to performance reviews, and actively backed by top management. BSP's initial internal resistance, where 45% of department managers identified the administrative overreach, is a cultural resistance factor that must be overcome. Through well-organized awareness programs and leadership-initiated programs, BSP succeeded in redefining ethics audit as a strength of strategy and not a strategic weakness.

This strategic thinking is crucial. Ethics audits provide the means of addressing blind spots in conventional mechanisms of governance, i.e., on matters relating to behavior, integrity, and organizational culture. Financial audits and operations statistics report what the firms do; ethics audits detail how they try to get things done. This "process accountability" guarantees success will not come at the expense of ethics, transparency, or trust from stakeholders.

But there is another manner in which ethics audits improve the governance and this is in terms of facilitating risk-based decision-making. These kinds of ethical risks like discrimination, corruption, violation of human rights or disregard for the environment have the capability of destroying monumental reputations and financial losses. By enabling them to be identified in advance, ethics audits function as an early warning control mechanism. BSP's ethics audit, for instance, identified ethical supply chain practices and occupational safety vulnerabilities that were addressed immediately and averted subsequent exposures.

Government integration provides space for multi-stakeholder governance. Having outside experts, community members, or employee representatives as part of ethics committees gives legitimacy and balance to audit results. This model of participatory government sends the message of

stakeholder democracy norms, whereby ethical responsibility is not in an individual's hands but distributed.

Board reports, executive KPIs, and standard operating procedures need to be adjusted to reflect ethics audit recommendations. As examples, ethics audit recommendations need to be placed as an agenda on annual governance review, as a component of board audit committee reporting, and connected to executive remunerations. Ethical behavior can become only organizational DNA if they are quantified, measured, and remunerated.

Ethics audits enable organizations to link values and behavior. Mission and vision statements can have high-sounding ideals, but only performance makes them meaningful. Ethics audits question whether, and how, such ideals are being brought to life—executive suite to front-line employees. They provide an internal feedback loop that reminds people of ethical standards and makes organizational values not hollow but real.

Ethics audits are not just monitoring devices—governance devices that integrate ethical consideration into all aspects of corporate behavior. Their inclusion in governance mechanisms optimizes duty, minimizes threat, and fosters a culture of authentic ethical leadership. For companies willing to steer clear of the traps of contemporary CSR and stakeholder scrutiny, ethics audits not only provide safeguarding—but guidance.

5.3 Stakeholder Perception and Trust

The greatest contribution of this research is to define how ethics audits build stakeholder trust—an element more critical to business success now. Traditional CSR reports emphasize compliance and visibility at the expense of actual responsibility, and consequently foster doubt in stakeholders. Ethics audits, on the other hand, consciously reestablishes and secures trust by creating systems of internal transparency, ethical confirmation, and continuous stakeholder communication.

The outcomes of BSP's case study show this dynamic very clearly. According to interview data, BSP experienced a 40% increase in stakeholder trust, a 35% increase in investor confidence, and nearly 50% growth in brand equity following the implementation of routine ethics audits and ethical sourcing. These are not modest increases—they demonstrate the close linkage between perceived

corporate integrity and stakeholder loyalty. This empirical data confirms the findings of research conducted by Fombrun et al. (2000) and Porter & Kramer (2006), that ethical behaviour is the bedrock of reputational capital and long-term profitability.

A key factor in why ethics audits build trust is the fact that they place stakeholders' voices at the centre of the organisation's ethical framework. While most typical CSR reports are top-down in nature, ethics audits provide entry points for bottom-up feedback, including qualitative feedback from community allies, employees, and affected outside constituencies. At BSP, roughly 30% of stakeholder concerns—particularly well-being and social attitude concerns—were previously excluded from standardized CSR formats. Ethics audits not only allowed those concerns to be included but turned them into actionable measures.

Such stakeholder audit is part of stakeholder inclusivity and justice. By creating issues that otherwise cannot be quantified—such as morale in the community, perception in the people, or just labor practices—ethics audits reflect an increased accountability more aligned with stakeholder expectations. They reflect that a company is not merely meeting compliance needs, but listening, hearing, and adjusting according to its stakeholders.

Furthermore, third-party certification and the use of long-term, ethical performance measures introduced by ethics audits contribute further to confidence. Stakeholders, especially investors, insurers, and regulators, are more and more suspicious of rhetoric on the surface. They are looking for guarantees backed by strong, impartial validation. Ethics audits provide just that, as BSP's bi-annual assessments of over 20 principal ethical standards ranging from anti-corruption to labor rights confirm. By connecting ethical practice with governance system processes, firms become not just more legitimate but also form more and more longer-term relations with stakeholders.

Ethics audits are a shift from persuading to collaborating. They transcend the reporting of acts of good manners to incorporating stakeholder issues into the corporate ethics fabric. This is not a strategic shift but an imperative one for corporations in an age where accountability, transparency, and trust are drivers of success.

5.4 Industry Specific and Operational Realities

The benefits of ethics audits are obvious in theory, their application—especially in diversified industries—is difficult and teaches practical lessons. BSP case, a diversified steel company, illustrates how the situation in the industry determines the application and effectiveness of CSR and ethics auditing models.

Steel production, being an industry, has built-in ethical and environmental issues: intensive energy usage, greenhouse gas emissions, depletion of resources, and labor-intensive production.

Although templates such as GRI and ISO 26000 provide general guidance, they would be unable to fully embrace such sectoral subtleties. As later would become evident from the BSP experience, generic templates had to be augmented with sectoral tools, such as the Carbon Disclosure Project (CDP) and Task Force on Climate-related Financial Disclosures (TCFD). These tools were able to tackle elements such as carbon footprint, energy consumption, and waste with much more accuracy and applicability.

BSP's magnitude and scope of operations created data-gathering and verification problems. While most 60% CSR-related information were generated in BSP, the remaining 40% were sourced out from external suppliers and community partners—most often sources of delays, inconsistencies, and gaps in reporting. Ethics audits were useful in this aspect by adopting measures for on-going monitoring and independent verification to enable BSP to confirm outside data and fill reporting gaps normally disregarded by generic CSR templates.

A second hurdle to implementation that BSP had to surmount was departmental resistance to ethics auditing. Approximately 45% of senior managers were resistant to introduction outright, concerned about heightened workload and administrative interference. This is a lesson that is easily learned: ethical audits can't be imposed as a compliance burden—They must be introduced as an enabler of strategy. BSP achieved this through implementing awareness campaigns and targeted ethics training. Through the years, resistance decreased by 30%, and ethics audits were made a routine governance practice. Slow, steady internal culture change was the program's success key.

Ethics audits enabled BSP to address issues outside the purview of conventional CSR practices successfully, like work-site safety, ethical supply chain conduct, and health of employees. These were specific issues in view of the risky nature of the process used in steel production. Adherence to Ethical Sourcing Guidelines enabled BSP to assert ethical responsibility through the entire value chain and hold suppliers responsible at the same level as was demanded within.

Of interest here is that BSP experience is a testament to the flexibility and scalability of ethics audit even for operationally intensive industries. Automation and information technology, including data collection systems of real-time data, as well as risk analysis, made the auditing process less resource-consuming, more efficient, easier, and more accurate. Consequently, ethics audits, although at first resisted by institutions, with careful planning and compliance with industry standards, produce long-term results even in very operation-driven industries.

Sector realities need to be taken seriously in designing and implementing ethics audit. BSP's own experience testifies that with highest customization, stakeholder engagement, and technology platform, even industries that are capital-intensive can effectively adopt ethical governance practices that largely improve the quality and credibility of CSR reporting.

5.5 Role of Technology in CSR and Ethics Auditing

The evolution of ethics audits is more and more linked to technological innovations. While conventional CSR models are based on fixed annual reporting, contemporary corporate responsibility requires data-intensive, behavior-responsive, and timely mechanisms. As pointed out in this thesis, integrating technology—via artificial intelligence (AI), data analysis, and automation—into ethics auditing procedures can greatly improve efficiency as well as accuracy.

One of the most revolutionary developments is the development of risk detection models through artificial intelligence. As shown by the evidence, machine learning predictive audit programs attain a rate of up to 72.9% of success in determining predictive patterns of behavior resulting in ethical risk. Other than permitting companies to confront malfeasance beforehand, this forecasting ability turns the entire ethics system on its head from reactive form pushing towards preventative action. For example, an AI system may be able to recognize procurement transaction or human resource

data anomaly patterns that would indicate a pattern of discriminatory conduct or fraudulent activities—years prior to it ever becoming a public or legal issue.

The BSP experience illustrates the working capability of such tools. Using real-time monitoring tools, BSP enhanced the quality and timeliness of its CSR disclosures by 25% within a year. Such frameworks made it easy to collect environmental information, reduced dependence on lagging external sources, and enabled more interactive, open-ended reporting cycles. In addition, aligning such tools with standard frameworks like TCFD and CDP enabled BSP to provide sector-specific, forward-looking information that fixed structures cannot.

Automation is also central to taking ethics audits large and making them streamlined. Most organizations, particularly those that are capital-intensive, are averse to ethics audits because of the administrative load. But as BSP has shown, automation can minimize manual effort, automate data verification, and enable multi-stakeholder reporting through interactive dashboards and cloud software. These technologies allow companies to monitor ethical performance in real-time, identify patterns, and address stakeholder concerns earlier.

Blockchain is another developing technology that has the potential to enhance by providing unalterable audit trails, specifically for supply chain ethics. Where there are supplier layers in some sectors and rendering transparency difficult, blockchain can validate compliance at each level, so ethics audits become more traceable and change-proof.

Though all these technologies hold promise, the implementation of these is also generating its own crop of ethical issues—data privacy, algorithmic bias, and surveillance threats, to name a few. AI- and automation-based companies must do this in the open, with adequate checks and balances, and also accountability to stakeholders. Ethics governance cannot be turned into a sacrificial lamb at the altar of efficiency.

Technology, when applied properly and in a moral sense, can redefine the scope, precision, and reach of ethics audits. It can enable companies to break away from periodic exposures and pursue a trend of constant ethics monitoring more attuned to the speed of today's business and

stakeholder requirements. As CSR goes digital, the integration of technology can no longer be optional but part of ethical corporate governance.

5.6 Implications

5.6.1 Implications for Policy and Practice

The findings of this study have direct and immediate policy implications for corporate managers, policymakers, investors, and CSR practitioners.

First, to business executives, the research highlights the strategic importance of incorporating ethics audits as part of CSR governance. Ethics audits are not only instruments of risk management—they are instruments of culture building, stakeholder engagement, and value creation for the long term. Managers might consider incorporating ethics audits as part of annual reporting cycles, with measurable goals, inclusion in performance reviews, and connections to ESG metrics.

Second, policymakers have to value voluntary CSR standards' limitations. Even though GRI and ISO 26000 could be a baseline, governments and regulatory agencies must move towards assured mandatory, normalized indicators, and enforcement. There are ways in the form of ethics audit reward, tax cuts for socially authenticated contribution, or inclusion of ethics compliance scores as part of public procurement regulation.

To investors, the message is clear: CSR reporting today does not necessarily convey something about actual ethical performance or ultimate risk. Investment strategies will increasingly have to be based on third-party verified ethics audits, not self-reported CSR reporting. Reporting of ethics audit results through ESG ratings will be improved, and potential exposure to reputation and regulatory pushback avoided.

CSR practitioners and consultants need to move away from preparing the report and towards support for governance. Conceptualization, conduct, and stakeholder dialogue of ethics audits should become core services. Practitioners need to enable multi-stakeholder communication,

where audit committees extend invitations to multiple voices—from NGOs to employees—so that participatory and democratic ethics administration is practiced.

Finally, the time has arrived to establish global standards of ethical behavior and sustainable social performance. While accounting standards allow financial audits, ethics audits must have codified factors so that they are credible and comparable. It is time for academia, industry, and regulators to meet and develop new global standards which will reconcile flexibility with accountability.

5.6.2 Implications as identified from interview

The most important observation from the interview well describes the material gains accrued to BSP due to successful CSR and ethical governance policies. In the opinion of the interviewee, stakeholder trust has been enhanced by about 40%, investor trust by 35%, and brand reputation by almost 50% due to regular, open, and ethically appropriate CSR disclosure. But the survey results also identify a critical need to continue developing CSR reporting frameworks. In particular, BSP calls for incorporating long-term impact measurement indicators within existing frameworks to allow organizations to report more precisely and comprehensively on their societal and environmental contributions. Without these innovations, CSR reporting will continue to threaten to only document surface successes, rather than the deeper, long-term changes responsible corporate citizenship strives to effect.

In contrast to the results of the secondary data analysis, there are some intriguing trends that emerge between the primary interview findings. Secondary data have shown that a worldwide tendency is being witnessed with regard to CSR and sustainability reporting by leading businesses, and more or less about 98% of S&P 500 organizations and 93% of Russell 1000 organizations issued their sustainability reports. However, regular gaps regarding depth, authenticity, and incorporation remained always raised against worldwide practices. These were later supplemented by BSP's ground survey, in which problems of data collection in operations, interface with stakeholders, and identification of long-term impacts were listed as being operationally difficult areas. As double materiality and abstract significance of ethics audits in secondary sources came under the limelight, experience at BSP educated regarding the working reality of such concepts being practicable in large industrial organizational setup.

But yet another insightful point to be noted through cross-comparison between secondary and primary findings is the shared acknowledgment of the limitations inherent in current CSR frameworks. Global reporting standards, although offering the requisite structure, are lacking in being capable of quantifying appropriately the wider, longitudinal effects of corporate social responsibility initiatives. At BSP, even with compliance with a number of international standards and active adoption of other frameworks such as TCFD and SASB, reporting gaps regarding long-term community health outcomes and environmental resilience initiatives were evident. This alignment of global trends and ground reality attests to the universality of the issue and suggests a systemic issue that transcends industries and geographies.

They must, however, be noted that some limitations adhere to the primary data of use within the analysis of this research. Findings of interviews are complemented by a case study of just one large-scale steel manufacturing company of the Indian sector. Although as rich in an instrumental message as possible, they allow for complete generalizability across other companies on bases of sizes, sectors, or geographical regions. Various industries will face varying CSR challenges based on their business impacts, populations of stakeholders, and regulatory climates. Therefore, while BSP's experience offers a comprehensive case-by-case portrayal of CSR reporting realities, it must be considered against the constraints of its situational context.

However, the ground study is an important contribution because it fills the gap between operating reality and theoretical assumptions. It sheds light on the subtle realities of how CSR reporting operates in practice, such as conflicts between regulatory demands, stakeholder pressures, operational limitations, and ethical imperatives. Furthermore, it asserts the belief that compliance with CSR guidelines itself does not qualify as an automatic endorsement of either ethical or material reporting but merely how the implementation thereof is amended, augmented by the incorporation of such internal controls as ethics audits is what leads to effective delivery.

Into the future, results suggest a number of new directions which the coming era in CSR reporting behavior surely will determine. First, there is a shift clearly away from compliance checklists to proactive, behavior-based ethics audits in mainstreaming ethics audits in CSR governance systems. BSP experience shows how ethics audits can enhance internal accountability and enable organizations to address and fix ethical exposures before they become large-scale issues. Second,

the increasing application of real-time data monitoring and predictive analytics implies that CSR reporting will become more dynamic and forward-looking. Organizations are making investments in systems that enable them not just to report past performance but also to project and manage expected future social and environmental risks.

Third, the need to build long-term impact models has been strongly underscored by secondary as well as primary data. Future CSR reports will more and more be longitudinal reports documenting multi-year performance of business social programs rather than documenting annual activity. BSP's experience in developing and internal model for measuring long-term impact is merely one of several ways that companies are trying to get beyond the current constraints of regulatory frameworks. These models would allow organizations to establish more than short-term compliance, but a continued creation of societal value over the long term.

This implies that there is about to be a sea change in CSR reporting. No longer constrained by compliance-based disclosure, it is increasingly an arena where transparency, ethics, stakeholder dialogue, and long-term social performance need to be shown in greater clarity and authenticity. Organizations that are not able to keep up with this evolving world risk not just reputational damage, but loss of investor confidence and stakeholder trust. Firms that openly embrace ethics audits, live monitoring, and long-term influence reporting, on the other hand, will likely become more resilient, competitive, and legitimate in a more sustainability-aware global setting. Altogether, integrated findings of secondary and primary research throughout this thesis reveal both progress and setbacks still ahead for corporate social responsibility reporting.

Although there are high levels of global CSR framework adoption, quality, depth, and ethical strength of reporting are aspects that require considerable improvement. The BSP case study thus captures both the potential and limitations inherent in existing practices and to show that becoming a true corporate social responsibility is less a matter of conformity to norms and more one of ongoing reflection, adjustment, and ethical commitment at all organizational levels. As CSR reporting continues to develop over time, success in the future will rely on the capacity of organizations to incorporate ethical governance, forward-looking monitoring, and long-term social accountability into the framework of their reporting formats.

5.7 Limitations of the Research

Despite its contributions, this research has some limitations that must be acknowledged. The early scope of primary data gathering involved a single case study: BSP. BSP supplied a detailed description of CSR and ethics auditing in practice, which was rich and rich in descriptive data but was not directly transferrable to other regions, industries, or sizes of organizational operations. Technology, service companies, or SME firms could pose other constraints or ethical considerations outside the present discourse.

The regulatory and geographic environment also limits generalizability. BSP is based in India, where CSR is partially required and industry conditions also vary from those countries with more mature sustainability regulations. Cross-country case studies or comparative case studies in the finance industry, healthcare industry, or retail industry would enhance future research.

Additionally, the interview sample comprised a single senior executive. Though this individual possessed extremely in-depth insights and in-practice experience, having additional perspectives—like employees, community partners, or board members—would have enriched the results further and triangulation.

Finally, although the study cites AI and technological aggregation, it does not empirically model or test the technologies. With predictive audit tools and blockchain-based governance tools increasing in the future, future research can further explore their practical application, effectiveness, and ethics.

This analysis has confirmed that despite CSR reporting turning into the world standard, it is still partial, patchy, and in terms of moral standards, missing. Standards such as GRI and ISO 26000, while being a trend, lack the implementation compulsion and behavior depth needed to induce sustainable changes. Ethics audits offer a glimmer of hope of addressing this issue through imbuing internal responsibility, stakeholders' involvement, and risk management in corporation governance structures.

The BSP case indicates the potential unleashed and limitations of incorporating ethics audit. It illustrates that an enterprise can go beyond compliance to actual ethical leadership, winning not

only stakeholder trust but strategic float too. Incorporating ethics audits and real-time data systems with industry-based benchmarks, BSP developed a more genuine and inclusive framework of CSR—closer to the interests of investors, communities, and generations to come.

The addition of ethics audits to international CSR discourse is an emerging milestone—moving from doing and reporting on it to an investigation of how and why they did this and what the additional effect is. As CSR evolves further, this quality of looking back, openness, and forward-looking ethical stewardship will shape what firms lead—and which simply follow.

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Appendices

Appendix 1. Interview Questions

1. Can you describe how your organization currently handles Corporate Social Responsibility (CSR) reporting? Specifically, what frameworks or Standards (such as the Global Reporting Initiative or ISO 26000) do you follow to ensure comprehensive and transparent reporting?
2. What are the main challenges you face when implementing and maintaining these CSR reporting standards? For example, do you encounter difficulties in data collection, stakeholder engagement, or meeting the required disclosure levels?
3. Are there specific limitations within the current CSR reporting frameworks that you find restrictive or inadequate? For instance, are the areas where the frameworks fail to capture important aspects of your organization's social and environmental impact?
4. How do these limitations impact the overall effectiveness and transparency of your CSR reporting? Can you provide examples where these limitations have led to gaps or issues in your reporting?
5. Have you heard of or used an ethics audit model? An ethics audit is a systematic evaluation of how well an organization adheres to its ethical standards and practices. How do you assess the ethical dimensions of your CSR activities?
6. How does your organization integrate ethical considerations into its CSR reporting? How do you ensure that your CSR initiatives align with your company's values and ethical standards?
7. What challenges have you faced in implementing an ethics audit model, and how have you overcome them? For example, have you encountered resistance from within the organization or difficulties in aligning the audit with existing practices?
8. How do the identified limitations in CSR reporting practices affect your organization's strategic goals and operations? What measures do you take to mitigate these impacts and ensure alignment with your overall mission?
9. How do industry-specific challenges influence your CSR reporting practices? Are there any industry-wide initiatives or collaborations aimed at improving CSR reporting standards that you participate in or are aware of?
10. From your experience, what are the most significant benefits of robust CSR reporting practices for your organization? In your opinion, what is the single most crucial change needed in current CSR reporting frameworks to enhance their effectiveness and reliability?