

Conceptualization of Covid-19 for long-term impact of Corporate Social Responsibility on small businesses in the new normal

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Abstract

In this article, some initial conceptualized examination on how Covid-19 has changed CSR has been portrayed for small businesses particularly. Covid-19 has created negative impact globally. It has affected normal functioning. Consumer and businesses are still creating “social distancing” to avoid physical and potential pestilence. In this article the researchers offer scrutiny on how covid-19 has developed impact on corporate social responsibility (CSR) for long term orientation. Results suggest that the pandemic situation of covid-19 has created negative impact, similarly on the other side it has provided opportunities to businesses to transpose towards corporate social responsibility (CSR) and bestow in global, social and environmental changes as well as have a long term orientation, especially the small businesses.

Keywords: Corporate Social Responsibility (CSR), Covid-19, Conceptualization, long term

Background and Introduction

The study has been conducted right after the fourth wave of Covid-19 entered in Pakistan. The researchers personally experienced the exercise of precautionary measures and trying to get back to the proper routine and functioning the way it was before Covid-19. As in Covid-19, all the functions were operated online from meetings with colleagues to formidable teaching. One of the most important ways to subsist with Covid-19 and its side effects is to avoid retrograde of mental and physical health and take advantage of this situation in the case of corporate social responsibility (CSR) being the focus of this study. This unpredictable pandemic has changed the world a lot. Everyone sees their life in a different prospect. Globally all the activities were affected and still are as fifth wave is on its way and this ailment is changing its shape. Many people lost their lives, their near and dear ones passed away. The business that dared to operate in this pandemic situation are being faced with legal liabilities for any contact of the disease to customers or public by their operations (Hemel, & Rodriguez, 2020). However, businesses are going concern and the expanded responsiveness and recognition of responsibility beyond legal compulsions could be the way forward for it. It's a multi-layered economic challenge and the business of the businesses is to face it through extended sense of responsibility, as portrayed by Sheth (2020). He is of the view that businesses need to restructure their business philosophy from single bottom line to stakeholder thinking and corporate social responsibility, as we are at war because of this narrow sense of business that is held dear today. This pandemic war has affected many people mentally and physically. Economic and social changes are also caused by Covid-19. The pain is personal, psychological, physical, societal and personal. War metaphors were used for Covid-19 as everyone was fighting and struggling with it. The United Nations Secretary-General Antonio Gutiérrez embraced the comparison during his remarks at a G20 virtual summit on the COVID-19 pandemic: “We are at war with a virus – and not winning it. ... This war needs a war-time plan to fight it” (Adetunji, 2020). Millions of precious lives have been lost and business opportunities along with it. It created worst impact. Similarly, Covid-19 had created a negative impact on the lives of the majority. Covid-19 has created a notable impact on marketing history which caused intense impact on corporate social responsibility (CSR).

Gap Analysis

The plethora and gamut of studies in the past decades have been concentrating on one part of the corporate social responsibility to another but the latest pandemic situation has disturbed it as the perception and thinking patterns during Covid-19 have changed. This current scenario has been analyzed that is relating to the conceptualization of Covid-19 for long-term impact on corporate social responsibility as pre-post and

until the third wave of Covid-19, the businesses were not prepared or planning to be resilient in terms of the pandemic. The conditions after forth wave of Covid are different as the marketing strategies have transposed and there is a shift in the organization vision and mission statements. Interestingly, this change is apparent in corporations and not in small businesses. Therefore, the gap is the behavior of marketers who have small businesses are avoiding CSR because they will suffer from temporary loss. They ought to perceive that within the long haul specializing in CSR activities can bring them profitability and client loyalty. Their demand can increase within the market as customers and staff can keep in mind that the organization was useful for them in troublesome times. Therefore, the that marketers who have small enterprises aren't focusing on CSR as it will assist them in the long haul. They should understand that in the long haul focusing on CSR activities will bring them profitability and customer loyalty. Their demand will increase in the market as customers and employees will remember that the organization was helpful for them in troublesome times.

Problem Statement

The problem statement is the long-term impact of Covid on Corporate Social Responsibility. Throughout the beginning of Corona, marketers were chiefly targeted on the normal promoting as they were solely specializing in the short-run goals of their businesses. They weren't active in practicing Corporate Social Responsibility and were following the normal promoting that solely focuses on merchandise. They didn't pay much heed to the fact that their industrial waste production was impacting the atmosphere and detrimental to the customers' health. Whereas the post-pandemic theorists can face a totally different promoting landscape because Covid has made people more health conscious, so the customers are going to be additionally inclined towards brands that are active in CSR activities. This created a problem for small enterprises as they didn't want to invest in CSR and only wanted short term profits. So many marketers realized that investing in CSR really benefits them in the long haul. Following companies started practicing CSR in COVID as Starbucks announced that it will expand mental health benefits to include up to 20 therapy sessions for all employees (Mitra et al., 2020) and Walmart, Apple updated their sick-leave policies by giving additional coverage to employees.

Research Questions

Q₁: How will Covid-19 change CSR?

Q₂: What are the opportunities and challenges for CSR in long run after fourth wave of Covid?

Research Objectives

Covid has gravely influenced the marketing philosophies and transposed the outlook on consumer ethics. It has remodeled the businesses and how the customers perceive their favorite go-to brands. As customers are going through a health disaster they want to make sure their decisions are ethical and socially justifiable. So, this created an apprehension in people regarding CSR and whether their decisions are ethical or not. So, the problems we are predominantly focusing on are related to CSR. The information is of qualitative type as the problem is about the conceptual gaps related to market behavior. The data is in qualitative form as it is trying to explain human experience and is non-numerical. The main objective to conduct this study is to acknowledge the variation in customer behavior and how brands became more ethically responsible to ameliorate their brand image. The target population consists of people from all ages, gender, and social status.

Significance of the study

Through social responsibility businesses can win consumers and they can build a platform to market and attract audience towards them. Social responsibility can help people see your company as a positive force in society. The researchers chiefly conducted this study to shed some light on the impact of Covid on CSR and how the situations have changed after Covid. During this health disaster people are compelled to sit back and rethink their life choices. This created awareness in people regarding the negative impact of companies on the overall environment and health. Now they prefer to buy from companies who are active in CSR and are

ethically responsible. The importance of this study is to understand the long-term impact of Covid on CSR (He & Harris 2020). This study also explains how the lives of millions of people changed due to this catastrophe and changed their outlook on marketing philosophies.

Literature review

Many recent studies have focused on the impact of Covid-19 on CSR but as time has passed and the world is fighting with fourth wave of this virus it has become impractical to abstain from the long-term impact of Covid-19 on the personal and work life. The repercussions of Covid-19 on the day-to-day lives are unconceivable and the traumatic memories will linger on in the common mind for many years to come. The main focus of conducting this study is to evaluate the long-term impact of covid-19 on CSR. The short-term impact of Covid-19 was immediately felt throughout the world so the discussion on how Covid-19 has influenced the field CSR in the long haul is a clear call to the research community. Covid-19 has given a rise to the challenges faced by firms and organizations about CSR. Some people argued that it has caused firms to invest in short-term gains and turn a blind eye to CSR mainly due to lack of resources. The pandemic has offered great opportunities for firms to build a strong rapport among its customers. So many major brands invested in CSR. For example, STARBUCKS announced that it will expand mental health benefits to include up to 20 therapy sessions for all employees and Walmart, Apple updated their sick-leave policies by giving additional coverage to employees (Gafni & Wirtenberg, 2020). However, Corona has pushed many businesses on the verge of collapse so it has become difficult to understand as to why these businesses will stay ethical and socially responsible when their survival is under threat. Will the firms invest in CSR and not be overwhelmed by short-term businesses pressure? The government is providing special economic aid packages to vulnerable businesses, but will it be enough for them to not become unethical and be socially responsible?. Therefore, a more optimistic view is that more firms and businesses will realize the significance of investing in CSR and how it will help them in attaining their social and economic goals. This review predominantly focuses on the impact of Covid-19 on CSR. This pandemic offers great opportunities for businesses to invest in CSR and how the business leaders can be motivated to not succumb to short-term businesses pressure. This pandemic can work as a catalyst to bring about a new era of CSR development in the long haul.

Research Methodology

The researchers have used secondary data obtained through articles; journals available on the internet. As the research is of qualitative type so it's aimed at the description of the long-term impact of covid on CSR. The research material has been gathered by analyzing the existing data of companies investing in CSR. The content available of the companies which were investing in CSR during Covid was selected and analyzed. The existing data and surveys were finalized to prove the problem statement because the data is already published and reliable. Now through the analysis of secondary data, the hypothesis that Covid has impacted CSR in the long haul has been qualitatively assessed.

Results

The results are obtained by analysis of existing data and surveys of companies who invested in CSR during Covid. Corporate social responsibility comes in many forms. Even a small donation can make a big difference. In May 2020 a survey was conducted by Rocket Social Impact and ACCP to gather observations from nearly 200 CSR professionals on the impact of Covid on their work. According to their finding, 98.7% of participants report that Covid has had an impact on their CSR activities. In their research they conducted that 68% of corporations are funding new non-profits to address urgent needs during the Covid-crisis. About 82% report no staffing resource changes to date in their department due to Corona. About 12% have

decreased staff and 6% have increased staff. About 60% of participants report that they are focusing on new issues in different departments (ROCKETSOCIALIMPACT, 2020).

Discussion

Through the above survey findings, it can be argued that Covid has impacted CSR significantly. Companies report that Covid has made drastic changes to their long-term strategies and partnerships. Companies have relied on their CSR departments more than ever. While Covid has made specific causes like food insecurity and education greatest concern for companies, all non-profits should keep an eye for future partnerships. Many companies faced the loss of employees, and many had new employees.

Conclusion

This article offered some initial thoughts and conceptualization on how the ongoing pandemic has affected CSR. Companies have invested heavily in CSR as it was on top of their minds. So, the pandemic really accelerated the growth of CSR department. Although it has been the nascent problem area the research questions are broad, but they give a fresh start to thinking about CSR in the longer run regarding Covid-19 as the pandemic isn't over and the opportunities to invest in CSR in various ways are monumental. So, the research is limited as we don't know what the future of CSR will be? Will it be more prioritized than before? Will the companies investing in CSR make dramatic shifts in their strategies? Will the companies start gaining more awareness regarding CSR activities? Further deeper research in terms of qualitative cases based on interviews and experts' opinions needs to be studied and explored for companies' efforts to engage in CSR in detail.

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