



Corporate Social Responsibility as a Key Factor for Development of Sustainable Business

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Abstract:

Responsibility is an organizational position that ensures discipline and the most effective attitude of the Company to its responsibilities to the public. Corporate social responsibility contributes to the creation of a favorable environment for business development, interaction between business and the state, where the interests of the population are represented by public organizations, which in turn turns into social partnership. Social partnership depends on the balance of three important systems, such as: social, economic and environmental. In one of the companies in Kazakhstan that takes an active part in the development of corporate social policy a program is being used within the framework of social responsibility that the company is actively pursuing. Within the framework of this program, the construction of socially significant facilities is being implemented, such as: construction of a central hospital in the city of Kulsary, construction of a central stadium in the city of Kulsary, construction of a pre-school in the Koktem microdistrict in the city of Atyrau, construction of a school named after Zhumabayev in the city of Atyrau. The company carries out partnership with higher educational institutions of the Republic of Kazakhstan, one of such educational institutions is Kazakh-British Technical University (KBTU) University. The company is actively developing a corporate social policy in the field of environmental protection, supporting social programs and improving the lives of the local population. Considering the above, we can conclude that corporate social responsibility is an integral part of the development of the company's sustainable business in Kazakhstan.

Keywords: Corporate culture; Corporate social policy; Responsibility; Ecology; Social program; Environment.



1. Introduction

1.1. Purpose of the scientific article

The purpose of this scientific article is to systematically and in-depth analyze the role of Corporate Social Responsibility (CSR) as a major factor influencing the development of sustainable business (Green Alternative Energy Assets, n.d.). Speaking about the experience of applying CSR in the company's activities in order to sustainable development, we note that in Kazakhstan there are a number of large socially responsible companies. The benefits of CSR are practically demonstrated by such companies. The specific focus of the article is aimed at studying a particular company (Company A) in the field of CSR and identifying specific practices that contributed to the creation of a sustainable socially corporate model.

1.2. Goals of the research

The key tasks to achieve the goal were:

- Study of CSR practices in Company A: Assessment of current programs and strategies related to social responsibility implemented in the company's activities;
- Community and Environmental Engagement Analysis: Assessing the impact of CSR on relationships with local communities, including the impact on social structures, support for education and charitable initiatives. Also considering the impact on environmental sustainability.

Total Cost of Ownership (TCO) rigorously complies with legislative requirements of Republic of Kazakhstan (RoK) and performs extensive air protection activities through state-of-art technologies resulting in the continuous reduction of air emissions while oil production volumes have increased significantly over the years. It should be emphasized that the company's emissions are currently at an extraordinarily low level as a result of the execution of several significant projects aimed at improving operational reliability. These have allowed the company to lower its air emissions by 75% per ton of oil produced during the past 22 years (**Figure 1**).

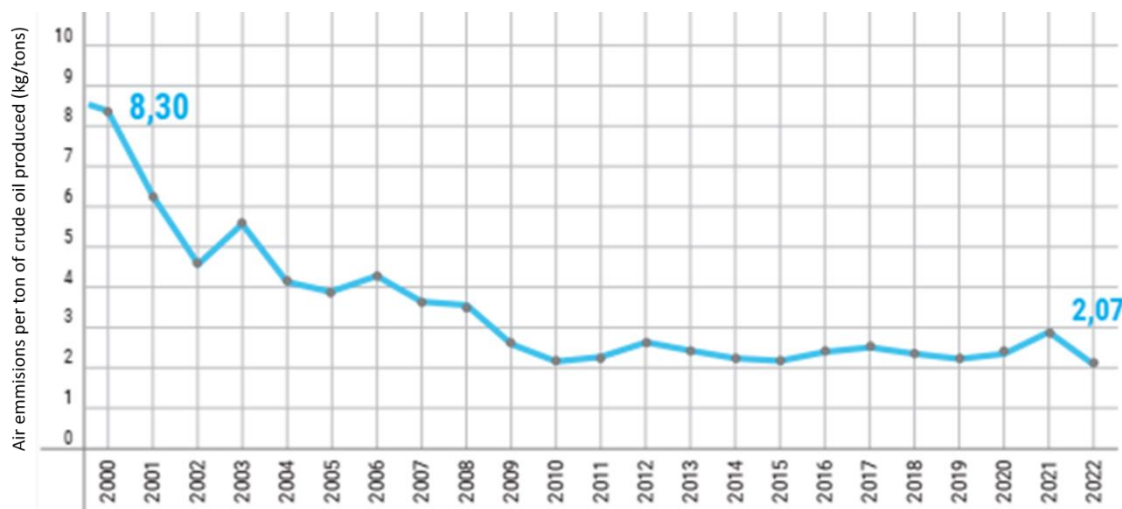


Figure 1. Air emissions of Company A with respect to time from 2000 to 2022.

2. Methods

To write this article, a quantitative research method was used, based on the use of available statistical data related to the social and environmental activities of the Company from the official website. The basis was a survey method among former colleagues who are directly residents of the Atyrau region and had the opportunity to observe the changes that were described in this article.

3. Results

Having analyzed open sources that disclose Company A's social programs aimed at stimulating the potential of the region as a whole and its individual resident, the following



results were discovered in the field of sustainable support for the corporate social responsibility program and opinions of my colleagues who was able to provide oral feedback the following conclusions were drawn.

Company A contributes to environmental protection, environmental monitoring, social investment and the development of social and infrastructure development programs. So, according to the environmental report for 2022, the main environmental indicators for 2022 are:

- Reduction of emissions intensity from 2000 to 2022 by 75%;
- Reduction of gas flaring over the past 5 years by 57%;
- Increase of water reuse rates by 49%;
- Increase of waste recycling rates by 63%.

As a part of the implementation of the Roadmap for a comprehensive solution to environmental problems in the Atyrau region, TCO is carrying out landscaping work in the city of Kulsary. In 2022, spring-autumn planting of elm, ash, apple, maple, and island seedlings was carried out on an area of 15 hectares in the city of Kulsary for a total of 9,030 trees on the street. R. Balmukhanova, st. Akzhar and along the Atyrau-Kulsary road, in the micro-district Atyrau.

The survival rate averaged 69.7%. In the places where 32.3% of seedlings did not take root, an additional 3,030 seedlings were planted in October and November 2022. The company continues to plant trees in Kulsary and cares for seedlings.

In 2022, under the program, Company A began to implement the construction of facilities such as: Central Hospital in the city of Kulsary, Central Stadium in the city of Kulsary, Pre-school in the Koktem microdistrict, Atyrau, Pre-school in the microdistrict. Zhuldyz, Atyrau, Construction of a school named after Zhumabayev in Atyrau. The program gave a powerful impetus to the infrastructural development of the Atyrau region. New, modern buildings have appeared that have beautified the regional center and Zhylyoi district, multifunctional medical clinics and centers, well-equipped schools and other educational institutions. Decisions on which projects are to be included in the program are made jointly with the Akimat of the Atyrau region.

The main criteria: sustainability, focus on the priority needs of the local population, benefits for the majority of the population, and most importantly, projects should create opportunities to unlock the potential of residents of the Atyrau region (ibid.).

The Social Investment Program, which was launched in 2010, is also being implemented. It is aimed at supporting education, healthcare, community involvement in the volunteer movement and economic development. Within the framework of this program in 2010-2022, 108 projects were implemented for a total amount of about 13.4 million US dollars. In 2022, the budget for this program was 2.3 million US dollars.

4. Discussion

Supporting social corporate responsibility has given the Company A a number of advantages such as:

- Enhanced Reputation: Adopting social responsibility can significantly enhance a company's reputation. This creates a positive perception in the eyes of the public and government;
- Support for public policy: creating tax incentives for companies that build strong social responsibility;
- Improved relationships with regulators: Companies that demonstrate transparency, ethics, and social responsibility often interact better with regulators, which can reduce the likelihood of regulatory issues arising.

Thus, corporate social responsibility not only contributes to the well-being of society, but also benefits companies in their relations with the government.

5. Conclusion

CSR has grown from a simple term to a fundamental principle that plays a key role in the development of sustainable business. In the course of analyzing the role of CSR using the example of the Company A, it becomes clear that the integration of the principles of social responsibility into the strategy of an enterprise has an important impact on its sustaina-



bility and prosperity. First of all, CSR is an important tool for establishing long-term relationships with stakeholders. Engaging with employees, customers, suppliers and the community through ethics, transparency and respect for human rights strengthens the company's reputation and creates the basis for lasting partnerships.

CSR also has a significant impact on financial stability. Companies that integrate social and environmental aspects into their strategy demonstrate not only social responsibility, but also a higher degree of efficiency and innovation, which ultimately impacts their financial performance. In addition, socially responsible practices have a positive impact on the internal dynamics of the company. Participation in social and educational projects, creating favorable working conditions and supporting diversity in the team help attract and retain talented employees. Thus, CSR is not just a fashionable trend, but is becoming an integral part of the sustainable development strategy of modern companies. Company A, as an example of successful implementation of the principles of social responsibility, confirms that investing in social welfare and respect for the environment are key factors not only for sustainable business, but also for leadership in the industry. In the future, business management based on ethics and responsibility represents a promising prospect for achieving harmony between corporate interests and the needs of society.

Conflicts of Interest: The author declares no conflict of interest.

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