



## CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE FINANCIAL PERFORMANCE CASE OF LISTED VIETNAMESE COMPANIES

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**Abstract:** Social responsibility has begun to draw attention in Vietnam in recent years. Corporate Social Responsibility (CSR) is still a very new concept and pioneers, both researchers and practitioners, in this area are facing numerous challenges in executing CSR programs in Vietnam. For the purpose of studying the impact of CSR on the financial performance of the firm, we studied a sample of 30 listed Vietnamese firms in the food industry over the period of 2013-2015. We used archival data as the input data for the quantitative research method to produce regression models and examine the relationship between CSR and corporate financial performance (CFP) in Vietnam. The results show that there is no significant relation between the two factors. On the basis of the findings, some suggestions are made for rational directions to improve the social responsibility of enterprises in Vietnam.

**Keywords:** CSR, corporate financial performance, CSR measurement, Vietnamese listed firms

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### Introduction

Social Responsibility is a field of research which investigates processes and solutions in order to guarantee a strategic balance between economic growth and social development at both the macro level (international, regional, national, local) and micro level (level of enterprises). Corporate Social Responsibility (CSR) is a field of research aimed at defining what the essence of a socially responsible business is and what a business has to do to become socially responsible. It is related to a whole range of practical issues, such as business ethics programs, corporate governance, social policy, fair trade practice, socially responsible investment and production, etc. (Nguyen Hoang Tien 2015). Generally, CSR is a continuous commitment of an enterprise to contribute to its economic development, while enhancing the quality of life of the workforce as well as of the community, society and environment. CSR is a growing organizational phenomenon with many broad implications for practitioners, scholars and society at large (Kot 2014). A similar concept, that is the concept of community involvement, was born earlier (1960s and 70s) in developed countries. The development of this concept was made possible by changing the perception and

understanding of the business environment of companies and understanding the role they play in the society of different countries (Herbuś, Ślusarczyk 2012). CSR is currently a very popular management concept worldwide and now it is being imported to Vietnam. Vietnamese business including the food industry is beginning to respect CSR rules and regulations, behavioral standards and norms due to growing pressure from the multinational corporations of developed countries operating in the Vietnamese market. Until now, it has been regarded that businesses in Vietnam do not practice social responsibility to an adequate extent. According to a CSR survey conducted by Social Responsibility Initiatives Vietnam, 90% of the respondents misunderstood the idea of CSR and related issues. Not many studies have been carried out on CSR issues in the context of Vietnam. The aim of the article is to strive to find a theoretical framework to study the relationship between CSR and corporate financial performance (CFP), thereby contributing significantly to further research.

## **Literature review**

### **Corporate social responsibility in developing countries**

In the literature of business and management there are many definitions of CSR. It can be argued that the sphere of influence of CSR is not confined within the enterprise itself. It has a great influence on many different parts of society, especially in relation to the role of the state in the economy (Davis 1973; Carroll 1999; Matten, Moon 2005). Both large corporations and small organizations also have obligations to the society, which are above that of creating value for shareholders. Corporations should be managed for the benefit of all those who are interested in those organizations (managers, owners, suppliers, employees, local communities) (Man, Macris 2015). Consequently, the concept of CSR is constantly changing depending on the spatial and temporal sphere of the scientific and practical debate. Today, the definition of CSR from the World Business Council for Sustainable Development is widely used, which is considered complete and clear: “Corporate Social Responsibility is the constant commitment of the business to business ethics and to contribute to economic growth, while improving the quality of life of workers and their families, as well as of the community and society” (WBC 1998).

As all of the above mentioned definitions and understandings were sketched out and constructed to suit the characteristics of the European and American market (the highly developed world), however, it is also of great importance to recognise the scope and agenda of CSR in developing countries apart from its typical manifestation in developed economies. Visser (2008) argued that developing countries feature specific CSR drivers, both internal and external, which make the local settings different (*Table 1*).

**Table 1. CSR drivers in developing countries**

<b>Internal drivers</b>	<b>External drivers</b>
<ul style="list-style-type: none"> <li>– Political reform</li> <li>– Crisis response</li> <li>– Cultural tradition</li> <li>– Socio-economic priorities</li> <li>– Governance gap</li> </ul>	<ul style="list-style-type: none"> <li>– International standardization</li> <li>– Investment incentives</li> <li>– Stakeholder activism</li> </ul>

Source: (Visser 2008)

The literature suggests that different countries have varying economic, political, social, and cultural settings where corporations operate and relate to their stakeholders (Visser 2008; Lindgreen, Swaen, Campbell 2009). The specificities of developing countries change the circumstances in which companies face business and social concerns (Muthuri, Gilbert 2011). In developing countries, CSR topics do not follow a specific theme or country pattern. The literature review reveals a lack of interest in understanding conceptual foundations, focusing instead on a description of CSR practices in developing countries (Ite 2004; Chapple, Moon 2005; Eweje 2006; Arya, Bassi 2009; Wiig, Kolstad 2010). This tendency to understand what companies are doing is related to the type of methodology that most papers used. Case studies and interviews are used to find the answers to 'why' and 'how' questions, as well as to offset the lack of previous findings in the literature (Rubin, Rubin 2005; Yin 2009). Thus, the prevailing research design of these studies suggests that they are the first steps taken to understand the drivers underlying CSR practices in developing countries. The vast preference for qualitative research methods may indicate both the difficulty of conducting empirical research in developing countries (Husted, Allen 2006; Jamali, Mirshak 2007) and the need to explore new research grounds (Jamali 2010; Wiig, Kolstad 2010).

While the application of CSR philosophy in business for the purpose of sustainable development is becoming a popular trend in developed countries, this issue is considered relatively new to developing countries, particularly in the case of Vietnam. In addition, the CSR studies conducted in Vietnam remain very scarce. Nguyen Dinh Cung & Luu Minh Duc (2008) discussed some basic theoretical issues, international experiences and present several CSR practices in Vietnam. The study is aimed at analyzing the current understanding of CSR among Vietnamese companies and the administrative role of government in supporting CSR practices. Other research revealed CSR in the philosophy and actions of Vietnam's garment and textile industry. The case of the Dap Cau joint stock company (Nguyen Phuong Mai 2013), makes some suggestions to promote sustainable CSR practices. Other authors (Tran Thi Minh Hoa, Nguyen Thi Hong Ngoc 2014) conducted a similar study of CSR towards employees, the environment and the community in the case of Sofitel Legend Metropole and Ha Noi Sofitel Plaza in Vietnam. This study examines the parties involved, who are the owners, customers, employees, communities and management agencies, and then proposes solutions to enhance CSR. However, almost no research has been conducted in

Vietnam that relates to the relationship between CSR and financial performance. CSR has basically dealt with the same thing. Besides the development benefits for each enterprise in accordance with current laws, CSR must link enterprises with common development benefits for the community through social cooperation and interaction (Tran Anh Phuong 2009).

### **Measuring corporate financial performance**

There are many indicators that measure corporate financial performance (CFP), but the most commonly used indicators in CSR research studies can be divided into two main categories: i) book value indicators; and ii) market value indicators.

(i) Book value indicators, also known as financial indicators, are created using numerical values derived from financial statements in order to obtain significant information about the company. Profitability is one of the most commonly used. The most commonly used profit indicators are ROA and Return on Equity (ROE). To calculate these two indices, Li, Sun & Zou (2009); Tian & Estrin (2008) simply use net profit. Others use net profit plus interest (before or after tax) as Shah, Butt & Saeed (2011); Thomsen & Pedersen (2000). Meanwhile, studies have suggested that pre-tax profit, interest, depreciation and amortization (EBITDA) should be used. Even so, profit before tax and interest (EBIT) have been chosen by researchers to calculate these two factors (Hu, Izumida 2008; Le, Buck 2011; Wang, Xiao 2011). In addition to the different financial implications, the reasons for such different calculations may be due to database constraints. In many cases, incompleteness of the database will force some researchers to carry out different calculations.

(ii) For the market value indicators, the Marris and Tobin's Q ratios are very popular as good tools to assess CFP. Tobin's Q ratio was devised by James Tobin of Yale University, Nobel laureate in economics. This ratio is measured by the market value of a company divided by the replacement value of the firm's assets, which reflects the financial market forecasts of future growth and potential profitability of a firm. Unlike Tobin's Q ratio, the Marris ratio is the ratio of the bank market capitalization to equity at the book value, and is itself an indicator that reflects the opportunities for growth. When this ratio is greater than 1, the bank creates value; otherwise, it would destroy it (Marris' hypothesis).

In summary, the CFP of joint-stock companies can be assessed by means of two combined groups, of which the four most important are ROA, ROE, the Marris and Tobin's Q ratios. The combination of these indicators can be given to the managers, business leaders, shareholders and the market as a basis for decision making purposes. ROA and ROE are effective indicators for current business performance and reflect the profitability that the firm has achieved in the past accounting periods. Nevertheless, there may be different calculations, mainly due to the way the profit is calculated. Meanwhile, the Marris and Tobin's Q ratios can indicate the company's future performance because they reflect the market's assessment of the potential for future profitability, in terms of the stock market price.

## **Relationship between corporate social responsibility and corporate financial performance**

The agency theory explains the asymmetric information problem between the owners and the managers of an enterprise, and is quickly becoming a theory for researching social responsibility and corporate governance issues. The theory applies to matters relating to the representation contract between them. Therefore, when the enterprise develops its social responsibility, it must be placed in the balance of interests between the representative's corporate governance decisions and the interests of the owners. CSR expenditures are not a form of corporate charity nor do they improve future financial performance. Firms rather undertake CSR expenditures in the current period when they anticipate a stronger future financial performance (Lys, Naughton, Wang 2015). The study carried out by Herremans, Akathaporn and McInnes (1993) shows that large U.S. manufacturing companies with better reputations for social responsibility outperformed companies with poorer reputations in the period 1982-1987, and provided investors better stock market returns at a lower risk. According to tens of American, European and Japanese business managers, the future belongs to those who create a dynamic and integrated organization that is capable of achieving specific effects and capable of being socially responsible (Mizera 2008).

In addition the stakeholder theory explains more clearly the corporate goal of achieving the ability to balance the conflict of different stakeholders (Cooper, Owen 2007; Darnall, Seol, Sarkis 2009). We highlight the CEO's role in influencing the entire decision process (Gao, Lisic, Zhang 2014). Stakeholders include: shareholders (Roberts 1992; Haniffa, Cooke 2005), creditors, employees, customers, suppliers, community and government. The stakeholder theory has in many ways become an inseparable companion of CSR. Freeman (1984) divided the development of stakeholder concepts into corporate policy models, business plans, and managers' social responsibility models

Moser and Martin (2012), suggest the significance of CSR costs that are related to the costs of the parties involved. Accordingly, the decision usefulness theory refers to establishing criteria in the CSR model related to the cost benefit principle. Business policy and business plans are used to guarantee the financial effect of the business.

Recent studies have focused on the effects of CSR on financial performance. Dhaliwal et al. (2014) discovered that a negative association exists between CSR disclosure and the cost of equity capital. This relationship is more pronounced in stakeholder oriented countries. Abdelkbir and Faiçal (2015) analyze the influence of CSR on the financial performance measured by several indicators. Ilinitich et al. (1998) present a case study based on detailed analysis of the environmental performance of 15 firms in the chemical sector. In the same perspective, Wiseman (1982) selects a sample of 26 of the largest companies in the steel, oil, and paper industries for the study. In order to investigate the differences between the top performing group and the bottom performing group in terms of environmental disclosure quality, further analysis also confirms that there is a positive relationship between the quantity and quality of environmental disclosure.

## Methodology

### Research method

This study uses archival research methodology to summarize studies published inside and outside Vietnam. In addition, this study uses interpretive research methodology to analyze and evaluate its purposefulness. Then we use the quantitative method to test the relationship between the CSR and CFP of Vietnamese enterprises.

The interview and survey methods used to explain CSR issues that are intensively investigated abroad need some adaptive changes to fit in the current Vietnamese economic, social and cultural context.

### Research data

The data were collected from audited financial statements of 30 listed food industry companies on the Ho Chi Minh Stock Exchange throughout the period of 2013-2015.

### Research models

On the shareholder level, the most important ratio is return on equity (ROE). This ratio is designed to measure profitability per common share capital. ROE is the best measure of a company's ability to maximize profits from each of its capital investments. The clearest explanation of it is the rule: the higher a company's ROE is, the more competitive the company is and the better its sense of social responsibility is.

CSR is a multidimensional concept that is often measured using diverse indicators. Composite indices can aggregate single indicators into one measurement. (Haniffa, Cooke 2005; Abdelkbir, Faiçal 2015) (*Table 2*).

**Table 2. Corporate Social Responsibility measurement**

Source	CSR measurement indexes
Haniffa, Cooke (2005), "The impact of culture and governance on corporate social reporting"	$CSDI_j = \frac{\sum_{i=1}^{n_j} X_{ij}}{n_j}$ <p>Where  <math>CSDI_j</math> = corporate social disclosure index  <math>n_j</math> = number of items expected for <math>j</math>th firm, <math>n_j \leq 41</math>  <math>X_{ij}</math> = 1 if <math>i</math>th item is disclosed                      0 if <math>i</math>th item is not disclosed</p>

Source	CSR measurement indexes	
Cho, Lee, Pfeiffer (2013), “Corporate social responsibility performance and information asymmetry”	CSRALL <sub>it</sub>	Standardized sum of strengths and concerns scores (i.e., CSRSTR + CSRTCON) for firm <i>i</i> in the fiscal year <i>t</i>
	CSRSTR <sub>it</sub>	Standardized CSR strengths score for firm <i>i</i> in fiscal year <i>t</i>
	CSRCON <sub>it</sub>	Standardized CSR concerns score for firm <i>i</i> in fiscal year <i>t</i>
Abdelkbir & Faïçal (2015), “Corporate social responsibility and financial performance”	CSR	Corporate social responsibility Dichotomous variable that takes the value 1 if the firm holds a label issued by MEGC, and 0 if it is not labelled

Source: (Haniffa, Cooke 2005; Cho, Lee, Pfeiffer 2013; Abdelkbir, Faïçal 2015)

Abdelkbir E. and Faïçal Z. (2015) found relationships between CSR disclosure and CFP. In this study, the model which reflects the impact of CSR on CFP is measured by stock market indicators (the Marris ratio and Tobin’s Q), book value indicators (ROE, ROA) and control variables including size (the size of the firm), risk (the risk linked to the activity of the firm), LF (the financial lever). These indicators have been widely employed in empirical studies to deal with the association between CSR and CFP. According to the study, there are four models to measure CSR: ROA, ROE, Tobin’s Q and the Marris ratio. However, the research objective is CSR which is correlated with financial performance in measuring profitability. Moreover, according experts interviewed in the study, the ROE method is appropriate for the context of Vietnam. In Vietnam, CSR has developed in recent years. Therefore, we add the variable “age” to the model in order to observe the formation and development of CSR in companies according to the “Age” variable. Currently, most of the business enterprises in Vietnam are medium and small-sized, not listed on the securities market. Hence, the control variable ‘risk’ is difficult to measure reasonably. In this case, it is possible to exclude the risk variable in the model. Therefore we have the specification of following econometric model:

$$ROE_{it} = \alpha_0 + \alpha_1 CSR_{it} + \gamma_2 Size_{it} + \gamma_3 LF_{it} + \gamma_4 Age_{it} + \varepsilon_{it}$$

**Table 3. Variable description**

Variables	Description	Measurement	Data Source
Dependent variables			
ROE	Profitability of one's own capital (return on equity)	ROE = ratio between net income and equity	Audited financial statements of 30 listed food industry companies on Ho Chi Minh Stock Exchange

Variables	Description	Measurement	Data Source
Explanatory variable			
CSR	Corporate social responsibility	Dichotomous variable that takes the value of 1 if the firm holds a label issued by the sustainable development report <sup>(*)</sup> , and 0 if it is not labelled	Sustainable Development Report published by the Business Council for Sustainable Development (VBCSD)
Control variables			
Size	Size of the firm	Size = Ln (Total Assets) Audited financial statements of 30 listed food industry companies on Ho Chi Minh Stock Exchange	
LF	The financial lever	LF = Total debt/ divided by own capital Audited financial statements of 30 listed food industry companies on Ho Chi Minh Stock Exchange	
Age	Number of financial years	Year of operation Audited financial statements of 30 listed food industry companies on Ho Chi Minh Stock Exchange	

Source: (Ho Chi Minh Stock Exchange 2013-2015)

Notes:

*(\*)The sustainable development report will help investors (shareholders) and staff access information on the development strategies and operations of firms in the aspect of sustainable development in the economy, society, environment, thus investors and staff can gather information from firms fully and comprehensively*

## Research results

Table 4 presents a summary of the data collected for the above mentioned companies in the food industry.

**Table 4. Summary**

Variable	O bs	Mean	Std. Dev.	Min	Max
Code	0				
Age	0	24.93333	13.4989	8	63
Year_obs	90	2014	.8210708	2013	2015
roe	90	.1029456	.4736007	-3.674	1.4148
size	90	1.692032	2.206606	.1548	16.6705
lf	90	1.692032	2.206606	.1548	16.6705
crs	90	1.188889	.3936132	1	2

Source: Data processing by author 2016

The fixed-effects model and random-effects model are used to estimate the panel data. The research was estimated by 2 of these models. If the result shows that there is statistical significance and relevance between CSR and CFP, the better model will be chosen. The results are as below:

**Table 5. Random-effects Generalized Least Square regression results**

Random-effects GLS regression		Number of obs = 90				
Group variable: mactyl		Number of groups = 30				
R-sq: within	= 0.6091	obs per group: min	= 3			
Between	= 0.6379	avg	= 3.0			
overall	= 0.5080	max	= 3			
corr(u_i, x)	= 0 (assumed)	Wald chi2(4)	= 87.06			
		Pro > chi2	= 0.0000			
roe	Coef.	Std. Err	z	P> z	[95% Conf. Interval]	
<b>crs</b>	-.0325728	.1073922	-0.30	<b>0.762</b>	-.2430576	.1779119
Size	-.0288483	.0231473	-1.25	0.213	-.0742162	.0165196
Lf	-.1658886	.0180249	-9.20	0.000	-.2012168	-.1305603
Age	-.0038294	.0028671	-1.34	0.182	-.0094488	.00179
_cons	1.302651	.6090064	2.14	0.032	.1090209	2.496282
sigma_u	.07125273					
sigma_e	.27746426					
rho	.06186624 (fraction of variance due to u_i)					

Source: Data processing author 2016

**Table 6. Fixed-effects regression results**

Fixed-effects (within) regression		Number of obs = 90				
Group variable: mactyl		Number of groups = 30				
R-sq: within	= 0.6797	obs per group: min	= 3			
between	= 0.0117	avg	= 3.0			
overall	= 0.0326	max	= 3			
		F(4, 56)	= 29.71			
corr(u_i, Xb)	= -0.9729	Pro > F	= 0.0000			
roe	Coef.	Std. Err	t	P> t	[95% Conf. Interval]	
<b>crs</b>	-.1230248	.206246	-0.60	<b>0.553</b>	-.5361852	.2901355
size	-.1569672	.0982693	-1.60	0.116	-.3538242	.0398898
lf	-.2865879	.0283035	-10.13	0.000	-.3432866	-.2298891
Age	.122275	.0376828	3.24	0.002	.0467872	.1977628
_cons	1.955662	2.678486	0.73	0.468	-3.409989	7.321314
sigma_u	1.7943693					
sigma_e	.27746426					
rho	.97664777 (fraction of variance due to u_i)					
F test that all u_i=0:		F(29, 56) = 2.57 Prob>F=0.0012				

Source: Data processing author 2016

The summarized results from *Table 5* and *Table 6* show that the independent variable CSR does not correlate with the dependent variable ROE in the R random-effects GLS regression model ( $P > [z] = 0.762 > 0.05$ ) and in the fixed effects regression model ( $P > [t] = 0.553 > 0.05$ ). In other words, there is no statistical significance or relevance between CSR and CFP in terms of ROE.

## Discussion

As the following test results show, there is no correlation between CSR and ROE. This result is consistent with the adoption of CSR ideas and concepts which are considered relatively new for developing countries, especially in Vietnam. CSR is relatively new in Vietnam and so far the implementation of CSR is still limited. The barriers and challenges for implementing CSR include:

- Limited awareness of CSR ideas and concepts, the understanding of CSR by businesses is not enough.
- Many enterprises lack financial and technical resources to implement CSR standards, especially for the small and medium-sized enterprises sector, while most Vietnamese enterprises are small and medium-sized enterprises.
- The legal status of assessing CSR implementation in Vietnam is limited and inadequate. In practice, it is regulated by the code of conduct and other management practices and standards, such as SA8000, WRAP, ISO 14000, GRI etc., but it is not a government agreement or international treaty.
- The emergence of a series of events related to dangerous agricultural products, food safety and hygiene standards violations are recent manifestations of a lack of social responsibility, lack of ethics and culture in production and business activities of many enterprises.
- Environmental pollution from the production and processing of products has reached an alarming level, reflecting the real concerns for social responsibility of businesses in general, especially in terms of safety, health and environmental protection.

Large companies in Vietnam are beginning to be interested in CSR activities, meaning that future research may find a link between the practice and disclosure of CSR among Vietnamese companies. CSR is introduced in Vietnam through the appearance and operation of multinational companies. The concept of CSR is not new, but businesses treat it mostly as charitable activities.

Recently, the relationships between the CSR and performance of a company, especially the CFP continue to be an important research subject in the field of management in general and accounting in particular. Vietnam's Ministry of Finance issued Circular No. 155/2015 / TT-BTC (in short: Circular 155) dated 6 October 2015 guiding the disclosure of information on the stock market and requiring public companies to disclose information related to sustainable development, compliance with environmental protection legislation and the way they manage environmental impacts and risks. Regulations on publicizing environmental and social information have marked Vietnam's most important step towards sustainable financial markets and attracted international investors.

In the process of global economic integration, CSR has become one of the requirements for Vietnamese enterprises. If enterprises fail to comply with CSR standards, they will not be able to access the world market.

CSR will certainly increase the credibility of businesses and entrepreneurs, bringing many economic and socio-political benefits to them. Currently, businesses are actively involved in philanthropic and charitable activities, while at the same time breaking the law, violating sustainable development of the community such as discharging toxic substances into the sea and rivers, polluting the environment. The industrial zones and other places in the country are also in such a state. To date, no authority exists that assesses the scale and number of enterprises lacking social responsibility, business culture and ethics. Therefore, demands for self-awareness are urgent; not only is self-awareness needed in the perception and operation of each enterprise, but also of the legal framework of CSR, to regulate such burning social and environmental issues.

These research findings are expected to make Vietnamese companies better aware of CSR issues as well as the importance of disclosing CSR and conforming to its international standards.

### **Implications**

CSR is still a hotly debated issue regarding the relationship and influence of CSR on business. There are already many studies on CSR and its business impact in the world, but not so many of them have integrated into certain theoretical frameworks. In our view, CSR and CFP have a certain correlative relationship and this topic should be further investigated, both profoundly and extensively, regarding the Vietnamese social and business context, in order to achieve interesting findings.

### **Theoretical implications**

This article has contributed to changing the concept of CSR. There are different definitions and understandings of CSR. Each organization, company, government recognizes and sees CSR from their own perspective and view, depending on the conditions, characteristics and level of socio-economic development. Davis (1973) suggests a broader CSR concept and role, while Carrol (1999) argues that CSR is overarching today's global business. Organizations that want to survive in the market in the long run must adopt strategy embracing the economic, social and ecological dimension. To achieve a sustainable level of development of an organization, it is necessary to apply business strategies that meet the organization's and stakeholders' needs while protecting, strengthening and enhancing the human and natural resources that will be needed in the future (Bakanauskiene, Staniuliene, Zirgūtis 2016). For business activities to be economically valuable, and at the same time socially and environmentally responsible, this strategy should result from social dialogues with all interested parties (Mizera 2008). This paper analyzes the importance of CSR in terms of its four important aspects proposed by Carrol (1999): economic, legal, ethical, and charitable obligations.

The role of CSR has been studied by a number of researchers since 1982 (Benston 1982). Several of studies have provided CSR theory but have not been thoroughly analyzed (Herremans, Akathaporn, McInnes 1993; Lys, Naughton, Wang 2015). This paper adds to the CSR framework by integrating research in social and economic fields to examine the relationship between CSR and CFP.

The mixed evidence suggests that CSR is not only present in business, but also influences other stakeholders in the society (Cooper, Owen 2007; Moser, Martin 2012). The results of this paper confirm that firms in the same industrial group have the same tendency to affect CSR, for example: the steel, oil, paper (Wiseman 1982), and chemical industries (Ilinitch, Soderstromb, Thomas 1998).

This article presents the extent to which CSR information is disclosed, and various factors, by means of research data from all over the world: Wiseman (1982); Patten (1990); Roberts (1992); Haniffa and Cooke (2005); Gao, Lisic, Zhang (2014); Dhaliwal et al. (2014). Nevertheless, the literature review shows that there is not enough research to systematically evaluate the theoretical framework for the relationship between CSR and CFP.

This article outlines models needed to measure CSR, analyze and evaluate models that can be applied in Vietnam. It provides real CSR measurement for further investigative studies in Vietnam.

### **Administrative implication**

In addition to the theoretical implications, this article also provides an administrative implication for business managers. The research results show that the understanding of CSR is still insufficient, and the leader's awareness of CSR issues is now of great importance for a business to perish or prosper. Therefore, companies should implement the above mentioned Circular 155 of the Vietnamese Ministry of Finance that guides the disclosure of information on the stock market. To balance the benefits and costs, businesses should invest in solving the problem of financial disclosure as well as non-financial disclosure, including information on CSR activities. Many theoretical and empirical data have proven that there is indeed a strong relationship between CSR and CFP in the world, and firms in Vietnam are not out of this global trend or direction.

### **Conclusions**

From previous studies conducted abroad and in Vietnam, this article has been synthesized, analyzed and evaluated in the current context of Vietnam. This article has contributed a framework for CSR related to CFP, including: background theory, literature reviews, models and scales used to test the correlation between the CSR and CFP of the company, contributing a new theoretical framework for state agencies, researchers, business leaders, etc., so that they can conduct further research.

Despite important theoretical and empirical contributions, this article still has some limitations. First, the dependent variable in the model is ROE. ROE is

measured by the book value indicator from companies listed on the Ho Chi Minh City Stock Exchange. Further research needs to be expanded with other indicators in the group of book value and market value indicators. Secondly, we combined quantitative research and collected data from interview questions, but the questionnaire (survey) was not developed during the study to measure the increase in implementing CSR and the increase in CFP that businesses gain. We believe that further studies with the same purpose of research can continue our work and overcome the limitations of this study.

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## **WYNIKI FINANSOWE A SPOŁECZNA ODPOWIEDZIALNOŚĆ PRZEDSIĘBIORSTW. PRZYPADEK WIETNAMSKICH SPÓŁEK GIEŁDOWYCH W BRANŻY SPOŻYWCZEJ**

**Streszczenie:** W ostatnich latach w Wietnamie coraz bardziej zaczęto zwracać uwagę na problematykę społecznej odpowiedzialności. Społeczna odpowiedzialność biznesu (CSR – *Corporate Social Responsibility*) jest wciąż bardzo nową koncepcją, a pionierzy, zarówno badacze, jak i praktycy w tej dziedzinie, stoją przed wieloma wyzwaniami związanymi z praktyczną realizacją programów CSR. W celu zbadania wpływu CSR na wyniki finansowe firmy przeprowadzono badanie na próbie 30 wietnamskich firm notowanych na giełdach działających w branży spożywczej w latach 2013-2015. Wykorzystano dane archiwalne jako dane wejściowe do badań ilościowych w celu tworzenia modeli regresji potrzebnej do zweryfikowania relacji między CSR a wynikami finansowymi przedsiębiorstw (CFP – *Corporate Financial Performance*) w Wietnamie. Wyniki pokazują, że nie ma istotnej zależności między tymi dwoma czynnikami. Na podstawie tych ustaleń poczyniono pewne sugestie dotyczące racjonalnych kierunków poprawy społecznej odpowiedzialności przedsiębiorstw w Wietnamie.

**Słowa kluczowe:** społeczna odpowiedzialność przedsiębiorstw, wyniki finansowe przedsiębiorstw, pomiary, spółki giełdowe