

Corporate social responsibility practices, work values and financial success of manufacturing companies: Basis for enhanced corporate governance framework

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Abstract

The study aimed to evaluate the corporate social responsibility practices, work values and financial success of manufacturing companies in China, as a basis for developing an enhanced corporate governance framework. Descriptive design was used in the present study as it aimed to describe the characteristics of the population and potential relationships of the variables. Through descriptive research, the proponent explored how CSR practices and work values may influence financial success. The survey questionnaire was utilized to gather data from the 400 respondents who are employees and middle managers in manufacturing firms. The study revealed moderate agreement on the corporate social responsibilities of manufacturing companies in terms of economic, social and environmental practices. The respondents revealed moderate agreement on their work values with a focus on intrinsic, extrinsic and social aspects of their work. The findings revealed a strong agreement among respondents regarding the financial success of the manufacturing companies as to profitability, efficiency and liquidity. Further, there were no significant relationships between CSR practices, work values and financial success. An enhanced corporate governance framework was developed for manufacturing firms to continuously improve their CSR practices, work values and financial success.

Keywords: corporate social responsibility practices, enhanced corporate governance framework, work values, financial success

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1. Introduction

In an increasingly interconnected and globalized world, the importance of corporate social responsibility (CSR) has become paramount for manufacturing companies, particularly in rapidly evolving economies like China. While the focus on CSR practices has risen, its direct impact on financial success, particularly within the unique cultural context of China, remains an area of ongoing exploration.

China's manufacturing sector, a crucial contributor to the global economy, is undergoing a paradigm shift. Today, success isn't solely measured by production quotas but also by the company's impact on society and its workforce. This necessitates a closer examination of corporate social Responsibility (CSR) practices, work values, and their influence on financial success. It is interesting to note that CSR in China goes beyond mere compliance with regulations. It encompasses environmental sustainability, ethical labor practices, community engagement, and transparent governance. Companies are increasingly adopting these practices not just out of obligation, but also to enhance brand reputation and attract talent. By demonstrating responsible behavior, companies attract and retain skilled workers seeking meaningful employment Amel et al. (2020). Strong CSR practices reduce social and environmental risks, contributing to long-term business stability and responsible companies attract investors and partners who prioritize sustainability and ethical practices.

Corporate Social Responsibility (CSR) is the company's commitment to operate in an ethical and sustainable manner, considering the interests of its stakeholders like the employees, customers, communities, environment, investors, among others beyond just maximizing profit (Carroll, 2017). In China, CSR is evolving and influenced by unique cultural and socio-economic factors. Compared to Western definitions, there's a stronger emphasis on aligning CSR with government policies aimed at improving social harmony, poverty reduction, and environmental protection, balancing individual needs with the well-being of the company, community and the country and emphasizing harmonious relationships with stakeholders through engagement and trust-building (Chen et al., 2020). Further, implementing responsible environmental and social practices (e.g., pollution control, fair labor practices) helps companies comply with regulations, mitigate environmental accidents, and improve employee well-being, leading to lower risks. Strong CSR practices foster trust and positive relationships with stakeholders (e.g., customers, investors, communities), leading to reduced reputational risks and improved access to resources. Responsible practices can improve resource management, reduce waste, and enhance employee engagement, contributing to operational efficiency and cost savings (Chen et al., 2020). Adopting CSR practices in China's manufacturing industry can contribute to positive risk management outcomes, but stakeholder pressures and industry-specific characteristics play crucial roles in shaping this relationship. Further, according to Yoon et al. (2020), there is a positive association between CSR practices and financial performance, with responsible companies experiencing higher profitability, market valuation, and reduced investment risk.

It is worth highlighting that understanding work values within Chinese manufacturing companies requires acknowledging their dynamic nature and the influence of various factors. While traditional values like collectivism and hard work remain prevalent, significant shifts are occurring, particularly among younger generations. Young employees have shifted work values like growing aspirations for personal growth, development and self-expression. They also look into their work-life balance which focuses on increased importance of leisure time, family time and mental well-being. They desire for contributions beyond mere financial gain and they expect open communication, involvement in decision making and ethical treatment (Jiang et al., 2023). It is interesting to note that financial success requires acknowledging its evolving nature and considering various perspectives. While traditional measures like profitability and market capitalization remain

relevant, the meaning increasingly incorporates broader considerations. Financial success is considered fluid and depends on individual company goals, industry specifics, and stakeholder perspectives. Traditional measures remain important, but long-term considerations like sustainability, innovation, and stakeholder value are increasingly crucial. The emerging considerations of finance include the company's sustainability. Financial success incorporates environmental, social and governance factors to ensure long-term viability and attract responsible investors (Eccles et al., 2020; Hahn et al., 2022). According to Li et al., (2023) financial stress can be attributed by the ability to adapt to technological advancements and market demands through research and development investments and product development. Further, for Luo et al. (2019) revealed that financial success is balancing interests of shareholders, employees, communities, and the environment for long-term sustainability.

Manufacturing companies in China is experiencing challenges in the implementation of their CSR in terms of balancing compliance and impact as the stakeholders expectations can be expensive and complex (Luo et al., 2019). Further, in terms of work values of employees, traditional values like collectivism and stability may clash with younger generations' desires for individual growth and work-life balance. Competition for skilled workers intensifies, requiring companies to offer competitive compensation, meaningful work, and positive work environments (Li et al., 2022). Likewise, investing in CSR and employee well-being may not yield immediate financial returns, leading to pressure for short-term profitability over long-term sustainability.

This study contributes to the existing body of knowledge in several key ways. First, it offers an understanding of the interplay between CSR practices, work values, and financial success within the specific context of Chinese manufacturing companies. Second, by considering cultural influences, the study sheds light on the cultural contingencies that shape the effectiveness of CSR initiatives. Finally, the findings will inform the development of an evidence-based corporate governance framework that integrates responsible business practices with economic sustainability, setting a valuable precedent for similar companies operating in China and beyond. Through comprehensive data analysis and rigorous methodology, this study aims to provide valuable insights for both academics and practitioners. This study delves into this critical relationship, examining how CSR practices interact with work values within Chinese manufacturing companies and ultimately influence their financial performance. By understanding these dynamics, the proponent aims to establish a foundation for an enhanced corporate governance framework that promotes both responsible business practices and sustainable financial success.

1.1. Objectives of the Study

The study aimed to evaluate the corporate social responsibility practices, work values and financial success of manufacturing companies in China that was made the basis in developing an enhanced Corporate Governance Framework. Specifically, it determined the corporate social responsibility practices in terms of economic perspective, social and environment; described the work values as to intrinsic, extrinsic and social values; assessed the financial success as to profitability, efficiency and liquidity, tested the significant relationship between corporate social responsibility practices, work values and financial success and developed an enhanced corporate governance framework.

2. Methods

1.2. Research Design

Descriptive study design is useful for simply describing the desired characteristics of the sample that is being studied. This is often used to describe and explore the characteristics of a phenomenon, population, or situation. In this case, the research aimed to understand the current state of CSR practices, work values, financial success, and their potential relationships within the context of Chinese manufacturing companies. According to Creswell (2014) the descriptive research design is a study that describes the characteristics of a population or phenomenon being studied. Primarily used to gain an understanding of a group or phenomenon. This involves collecting data through surveys, interviews, or observation.

1.3. Participants of the Study

The target participants of the study were the 400 supervisors and middle managers in five manufacturing companies in Beijing, China. Targeting 400 supervisors and middle managers across five companies in Beijing likely provides a manageable sample size for effective data collection and analysis. This approach offers focused insights into a specific but influential segment of the manufacturing industry within a particular geographical region, facilitating a detailed understanding of dynamics that might be more difficult to achieve with a broader or smaller sample. Supervisors and middle managers play a crucial role in translating a company's CSR initiatives into everyday practice. They directly interact with employees and oversee work processes. Their understanding of CSR principles, their own work values, and how they communicate CSR expectations influence how employees perceive and engage with a company's CSR efforts. Also, supervisors and middle managers often serve as the bridge between upper management and front-line workers. They have unique insights into the organizational culture, the challenges employees face, and the factors that facilitate or hinder the company's success. This perspective is valuable for understanding how CSR and work values interplay with financial performance. Supervisors and middle managers often have some degree of decision-making authority about the allocation of resources and the way work is conducted within their units. Their decisions can influence the practical implementation of CSR principles and contribute to financial outcomes.

1.4. Instruments of the Study

The survey questionnaire was the data gathering instrument to be used in the present study. A self-made questionnaire allowed the researcher to tailor the questions specifically to ensure that it will address the precise aspects of corporate social responsibility practices, work values, and financial success relevant to the present investigation and to the Chinese manufacturing context. Descriptive studies often have an exploratory element.

Table 1

Reliability Summary Table

Indicators	Cronbach Alpha	Remarks
Corporate Social Responsibility Practices, Work Values and Financial Success Instrument	.929	Excellent
Per variable		
Corporate Social Responsibility Practices	.930	Excellent
Economic Perspective	.916	
Social	.913	Excellent
Environment	.888	Good
Work Values	.900	Excellent
Intrinsic	.941	Excellent
Extrinsic	.938	Excellent
Social Values	.936	Excellent
Financial Success	.740	Excellent
Profitability	.945	Excellent
Efficiency	.945	Excellent
Liquidity	.942	Excellent

George and Mallery (2003) provide the following rules of thumb: “_ > .9 – Excellent, _ > .8 – Good, _ > .7 – Acceptable, _ > .6 – Questionable, _ > .5 – Poor, and _ < .5 – Unacceptable”

A self-made questionnaire allows researchers to carefully craft the language and phrasing of questions to ensure they are clear, culturally sensitive, and easily understood by participants within the Chinese context. This is crucial for collecting accurate and meaningful data. Corporate social responsibility is a dynamic and evolving field, with new concepts and approaches emerging regularly. A self-made questionnaire enables researchers to incorporate the most recent thinking and tailor it to their specific context or line of inquiry. The first part of the questionnaire focused on the Corporate social responsibility practices in manufacturing firms that will include economic, social and environment practices. Part 2 includes the work values such as intrinsic, extrinsic and social values. Part 3 will contain the financial success indicators within the context of profitability, efficiency and liquidity. It was essential to design a self-made questionnaire with careful attention to validity and reliability. The questionnaire was subjected to content validation of experts and a pilot testing was done to ensure the instrument accurately measures what it is intended to measure and that the results are consistent.

Based on the result, the Corporate Social Responsibility Practices, Work Values and Financial Success Instrument has an Excellent consistency as exhibited by the Cronbach's Alpha value of (.929). This was validated by the Excellent remark from Corporate Social Responsibility Practices (.930); it was confirmed by the Excellent result from Economic Perspective (.916), Social (.916), and Good result on Environment (.888). Also, it was validated by the Excellent remark from Work Values (.900); it was confirmed by the Excellent results from Intrinsic (.941), Extrinsic (.938), and Social Values (.936). It was further validated by the Acceptable result from Financial Success (.740); it was confirmed by the Excellent results from Profitability (.945), Efficiency (.945), and Liquidity (.942); which shows that the instrument at hand passed the reliability index test.

1.5. Data Gathering Procedure

The proponent obtained ethical clearance from the ethics committee of the university after submission of all the necessary requirements. This is to ensure that the participants' rights will be protected. After identifying the five manufacturing companies in Beijing, the proponent used convenience sampling to select the 400 supervisors and middle managers to participate in the study. A letter of request was addressed to the HR head of the five manufacturing companies to obtain permission and cooperation for the data gathering. The researcher clearly explained the purpose of the study, confidentiality procedures, and voluntary nature of participation to potential participants. Consent forms were also distributed to them. The actual data gathering was conducted in-person, via mail or through an online survey platform depending on the convenience of the target participants. After completing the target number of responses, the researcher collated, interpreted and analyzed the results.

1.6. Data Analysis

Weighted mean and rank were used to determine the corporate social responsibility practices as to economic, social and environmental practices; describe the work values as intrinsic, extrinsic and social values; assess the financial success as to profitability, efficiency and liquidity. It will also use the Shapiro-Wilk Test to show if the data set is not normally distributed. Spearman rho will be used as part of the non-parametric tests to determine the significant relationships between variables. All analyses will be performed using SPSS version 28.

1.7. Ethical Consideration

The research on "Corporate Social Responsibility Practices, Work Values and Financial Success of Manufacturing Companies in China" requires a thorough ethics review to ensure responsible and ethical research conduct. This is essential for protecting participants through informed consent, confidentiality, and minimizing potential harm. Additionally, cultural sensitivity is crucial in the Chinese context, with considerations for accurate translation and respectful interaction. Ethics review also promotes research integrity by preventing bias, ensuring data accuracy, and addressing conflicts of interest. It fosters public trust through transparency and accountability, adhering to the standards of research institutions and safeguarding the well-being of participants while contributing valuable knowledge to the field.

3. Results and discussion

Table 2

Summary Table on Corporate Social Responsibility Practices

Key Result Areas	Composite Mean	VI	Rank
Economic Perspective	3.00	Agree	2
Social	3.01	Agree	1
Environment	2.74	Agree	3
Grand Composite Mean	2.92	Agree	

Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree

Table 2 shows the Summary Table on Corporate Social Responsibility Practices. The grand composite mean of 2.92 reflects an overall agreement towards corporate social responsibility practices across economic, social, and environmental perspectives.

The higher composite mean in the social perspective (3.01) implies the organization's enthusiasm for social responsibility practices. This is based on the fact that it is widely held that value in corporate social responsibility involves engaging the various groups of individuals interested in the business, promoting different units within the organization and following guidelines of doing business which are right. It is also consistent with the increasing understanding that corporations help develop our communities. Corporate social responsibility (CSR) has evolved beyond being widely concerned about environmental stewardship but rather includes a wider range of societal aspects. It is expected by stakeholders for businesses to assess the societal impact of their activities along their entire value chain, i.e from labor practices to fair treatment of employees through diversity and inclusion policies right down to community engagement programs and society's well-being supporting projects. Companies can foster positive social change, build trust with stakeholders and improve their reputation by placing societal obligation at the top of their agenda. Also exhibits strong social responsibility practices choices across various fields. Investing in initiatives for employee well-being would be among some of the things that organizations could do. That would create an environment for professional growth where every worker feels part of one big family as well as performing his/her duties better and contributing to the success of this company. Moreover, it could actively foster variety and integration among its staff members, developing a culture of honoring all workers despite their different heritage and putting in place schemes to allow all of them to have similar chances of growth. At the same time, there is a possibility that the organization is strong when it comes to community engagement by engaging the communities in which it resides, taking part in social development projects and contributing towards local programs aiming at meeting local needs. Finally, strategic charitable contributions and investments in social causes that align with the organization's values and contribute to positive societal change could further solidify its commitment to social responsibility.

On the other hand, the average composite mean of economic perspective (3.00) indicates a strong emphasis on economic responsibility practices within the organization. This denotes an obligation to conduct business operations in a manner that considers not only financial success but also social and environmental impacts. Organizations directing on economic responsibility are expected to concentrate on attaining financial security, acting in an ethical manner when it comes to financial matters, as well as making investments that will be beneficial in future with regard to society and stakeholders.

Though, environmental perspective (2.74) is slightly lower than the social and economic perspectives, this indicates a positive stance towards environmental responsibility practices. Zhang et al. (2021) emphasize on sustainable supply chain management's relevance to driving environmental responsibility in organizational context, as well as resource efficiency and environmental conservation. Companies focusing on environmental responsibility are likely to prioritize eco-friendly practices, reduce their carbon footprint, and implement

sustainable initiatives to mitigate environmental impacts and contribute to a greener future.

Table 3

Summary Table on Work Values

Key Result Areas	Composite Mean	VI	Rank
Intrinsic	3.41	Agree	2
Extrinsic	3.62	Strongly Agree	1
Social	3.11	Agree	3
Grand Composite Mean	3.38	Agree	

Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree

Table 3 presents the summary table on work values. The Grand Composite Mean of 3.38 expresses a general agreement about the three main areas of interest which means that intrinsic, extrinsic as well as social values combine to initiate job contentment and enterprise triumph. By recognizing these major areas and understanding that an individual's job means everything to them, organizations create a comprehensive philosophy which enhances employee engagement and satisfaction within themselves while at the same time contributing to healthy organizational cultures with high productivity. Indeed this broad comprehension of job values stresses on the significance of combining both inside-out and outside-in incentives besides building solid social links that make the job place lively and satisfying.

The top-ranking Extrinsic values, reflecting a composite average of 3.62, underscore the importance of external factors such as job security, career progression, and pay in influencing the way employees perceive and act. In the Intrinsic values with a composite mean of 3.41, the focus shifts to internal motivators such as autonomy, personal growth, and meaningful work. The Social values (3.11) significance of interpersonal relationships, teamwork and corporate culture in creating a conducive working environment.

Table 4

Summary Table on Financial Success

Key Result Areas	Composite Mean	VI	Rank
Profitability	3.60	Strongly Agree	2.5
Efficiency	3.60	Strongly Agree	2.5
Liquidity	3.70	Strongly Agree	1
Grand Composite Mean	3.63	Strongly Agree	

Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree

Table 4 summarizes the results from the previous tables, presenting the composite mean and ranking for three key result areas key for financial success: profitability, efficiency, and liquidity. The data reveals a strong overall agreement (3.63) with the importance of all three areas. This implied that employees recognize the interconnectedness of these financial performance metrics. A strong financial position requires not only the ability to generate profits but also the operational efficiency to achieve those profits while maintaining a healthy cash flow to navigate unexpected challenges and seize emerging opportunities.

Liquidity emerges as the top priority for financial success according to employee perceptions. As discussed previously, liquidity empowers the organization to seize unexpected opportunities, respond swiftly to market changes, and maintain operational stability through a healthy cash flow. Organizations with ample cash reserves are better equipped to weather economic downturns, capitalize on emerging market opportunities, and invest in strategic initiatives that position them for future growth. This focus on liquidity aligns with a more precautionary approach to financial management, where maintaining a strong cash position is prioritized to ensure resilience in

the face of unforeseen circumstances. Furthermore, ample liquidity fosters operational flexibility. The ability to readily access cash empowers the organization to adapt to evolving circumstances, seize fleeting market opportunities, and make strategic investments that position it for future growth. For instance, an organization with ample cash reserves might be better equipped to invest in a promising new technology or expand into a new market, potentially securing a first-mover advantage. In contrast, organizations with limited liquidity may be forced to forgo these opportunities or pursue them with greater financial constraints, hindering their long-term growth prospects. Emphasizing liquidity also strengthens an organization's bargaining power in negotiations with suppliers or creditors. A healthy cash flow allows the organization to negotiate for better payment terms or secure more favorable loan agreements. This can translate into significant cost savings and improved profitability over time. Additionally, strong liquidity enhances investor confidence. Investors are more likely to view an organization with ample cash reserves as a more secure and stable investment proposition.

Profitability and efficiency, ranked equally with matching composite means (3.60), are viewed by employees as two sides of the same financial coin. Profitability, the lifeblood of any organization, refers to its ability to generate revenue that exceeds expenses. A profitable organization has the financial resources to reinvest in growth initiatives, invest in research and development, and reward shareholders through dividends or stock buybacks (Brealey et al., 2019). However, achieving and sustaining profitability hinges on operational efficiency. Efficiency refers to an organization's ability to minimize waste and maximize output with the available resources. By streamlining processes, optimizing resource allocation (time, materials, etc.), and eliminating unnecessary steps, organizations can control costs, improve productivity, and ultimately enhance their bottom line (Gunasekaran et al., 2019). In essence, efficiency creates a platform for profitability. Without efficient operations, organizations may struggle to generate profits even with strong revenue streams, as excessive expenses can erode their financial performance. Conversely, a highly profitable organization may find its profitability unsustainable in the long term if it fails to address inefficiencies that lead to wasted resources and hinder productivity.

Table 5 shows the relationship between CSR Practices and Work Values. The computed rho-values ranging from 0.032 to 0.043 indicate a very direct relationship between economic perspective and the sub variables of work values namely intrinsic and social while the computed rho-value of -0.101 indicates a very weak indirect relationship between economic perspective and extrinsic. There was a statistically significant relationship between economic perspective and extrinsic because the obtained p-value was less than 0.05.

Table 5
Relationship Between CSR Practices and Work Values

Variables	rho	p-value	Interpretation
Economic Perspective			
Intrinsic	0.043	0.391	Not Significant
Extrinsic	-0.101*	0.044	Significant
Social	0.032	0.528	Not Significant
Social			
Intrinsic	-0.017	0.736	Not Significant
Extrinsic	0.028	0.573	Not Significant
Social	-0.062	0.219	Not Significant
Environment			
Intrinsic	-0.051	0.307	Not Significant
Extrinsic	0.037	0.461	Not Significant
Social	-0.070	0.162	Not Significant

*. Correlation is significant at the 0.05 level

This implies that employees who prioritize economic rewards (extrinsic values) might perceive a weaker connection between CSR practices and their work. Conversely, a focus on economic performance alone might not resonate strongly with employees who value work for its intrinsic (meaningful) or social (collaborative) aspects. Decenzo et al. (2019) discuss the concept of extrinsic work values, highlighting factors like pay and security as primary motivators for some employees. This finding aligns with the possibility that an overly

economic focus on CSR, neglecting intrinsic or social aspects, might not resonate with those prioritizing these values in their work. The computed rho-values ranging from -0.017 to -0.062 indicate a very indirect relationship between social and the sub variables of work values namely intrinsic and social values while the computed rho-value of 0.028 indicates a very weak direct relationship between social and extrinsic. There was no statistically significant relationship between social and the sub variables of work values because the obtained p-values were greater than 0.05. Hence, employees' work values might not be strongly controlled by social CSR initiatives; it is a pointer to the fact that the relationship between social practices and individual values is complicated. The computed rho-values ranging from -0.051 to -0.070 indicate a very indirect relationship between environment and the sub variables of work values namely intrinsic and social values while the computed rho-value of 0.037 indicates a very weak direct relationship between environment and extrinsic. There was no statistically significant relationship between environment and the sub variables of work values because the obtained p-values were greater than 0.05. This implies that environmental initiatives may not strongly influence employees' intrinsic and extrinsic values. Zhang et al. (2021) explores the limited impact of environmental CSR practices on individual work values, highlighting the need for universal strategies to align environmental initiatives with employee values.

Table 6

Relationship Between CSR Practices and Financial Success

Variables	rho	p-value	Interpretation
Economic Perspective			
Profitability	-0.019	0.708	Not Significant
Efficiency	-0.030	0.543	Not Significant
Liquidity	-0.052	0.298	Not Significant
Social			
Profitability	-0.057	0.258	Not Significant
Efficiency	-0.031	0.539	Not Significant
Liquidity	-0.014	0.788	Not Significant
Environment			
Profitability	-0.039	0.435	Not Significant
Efficiency	-.101*	0.045	Significant
Liquidity	0.000	0.997	Not Significant

*. Correlation is significant at the 0.05 level

Table 6 shows the relationship between CSR practices and financial success. The computed rho-values ranging from -0.019 to -0.052 indicate a very weak indirect relationship between economic perspective and the sub variables of financial success. There was no statistically significant relationship between economic perspective and the sub variables of financial success because the obtained p-values were greater than 0.05. This indicates that while economic considerations are essential in CSR practices, they may not have a direct influence on financial outcomes. The computed rho-values ranging from -0.014 to -0.057 indicate a very weak indirect relationship between social and the sub variables of financial success. There was no statistically significant relationship between social and the sub variables of financial success because the obtained p-values were greater than 0.05. This means that initiatives aiming at increasing social responsibility towards companies, employees do not necessarily result in higher profit rates. Research by Johnson et al. (2020) underscores the connection between social practices and financial results can be difficult, due to the reason that some social acts may not lead to high economical results. The computed rho-values ranging from -0.039 to -0.101 indicate a very weak indirect relationship between environment and the sub variables of financial success namely profitability and

efficiency while the computed rho-value of 0.000 indicate no relationship between environment and liquidity. There was a statistically significant relationship between environment and efficiency because the obtained p-value was less than 0.05. This shows that environmental initiatives may have a more noticeable impact on working efficiency compared to profitability and liquidity.

Table 7
Relationship Between Work Values and Financial Success

Variables	rho	p-value	Interpretation
Intrinsic			
Profitability	-0.006	0.903	Not Significant
Efficiency	-0.042	0.401	Not Significant
Liquidity	0.074	0.141	Not Significant
Extrinsic			
Profitability	-0.002	0.968	Not Significant
Efficiency	0.056	0.263	Not Significant
Liquidity	0.044	0.379	Not Significant
Social			
Profitability	-0.030	0.554	Not Significant
Efficiency	-0.010	0.849	Not Significant
Liquidity	-0.027	0.590	Not Significant

*. Correlation is significant at the 0.05 level

Table 7 shows the relationship between work values and financial success. The computed rho-values ranging from -0.006 to -0.042 indicate a very weak indirect relationship between intrinsic and the sub variables of financial success namely profitability and efficiency while the computed rho-value of 0.074 indicates a very weak direct relationship between intrinsic and liquidity. This indicates that intrinsic work values may not strongly influence financial success indicators. Brown et al. (2021) discusses the complex interplay between intrinsic motivations and financial outcomes, highlighting the need for a comprehensive understanding of how personal values impact financial performance. The computed rho-value of -0.002 indicates a very weak indirect relationship between extrinsic and profitability while the computed rho-values ranging from 0.044 to 0.056 indicate a very weak direct relationship between extrinsic and the sub variables of financial success namely efficiency and liquidity. This implies that extrinsic work values may not have a significant impact on financial success indicators. The computed rho-values range from -0.010 to -0.027 indicate a very weak indirect relationship between social and the sub variables of financial success. There was no statistically significant relationship between work values and financial success because the obtained p-values were less than 0.05. This shows that social work values may not strongly impact financial success indicators. The lack of significant relationships underscores the complexity of how social values influence financial outcomes in organizations. Studies by Johnson et al. (2019) explored the details of social work values as they relate to their implications for financial success, highlighting the need for further research to understand this relationship better.

Enhanced Corporate Governance Framework

An improved corporate governance framework emerges from the harmonious interaction between CSR activities, corporate values and financial success. It is a dynamic system that ensures that the organization operates ethically, responsibly and sustainably while achieving its financial goals.

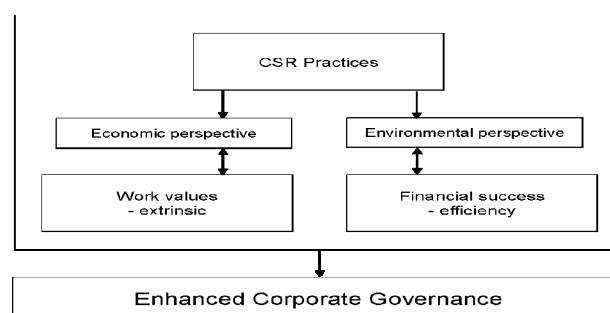


Figure 1: Enhanced Corporate Governance Framework

From figure 1, there is a direct significant relationship between economic perspective and extrinsic work values. The relationship between economic attitudes and extrinsic work values in manufacturing companies is mutually reinforcing. Good economic performance often leads to increased wages, benefits and job security, extrinsic rewards that are highly valued by employees. In turn, employees motivated by these external factors can contribute to increased productivity and efficiency, thereby strengthening the economic health of the company. However, it is important to realize that external values are only part of the equation. There was a statistically significant relationship between environment and efficiency. The link between environmental sustainability and financial performance in the manufacturing sector is increasingly clear. By adopting environmentally friendly practices, businesses can significantly improve their efficiency and overall financial health. Resource efficiency is the foundation of this relationship, with reduced consumption of energy, water and materials leading to significant savings. Additionally, environmental challenges often catalyze innovation, leading to process improvements and the development of profitable new products or services. In addition to reducing costs, environmental sustainability also contributes to risk management. Complying with environmental regulations reduces the risk of fines and penalties, and a good environmental reputation can improve brand image and customer loyalty. Sustainable practices align with consumers' and investors' growing preference for environmentally friendly businesses, creating long-term economic opportunities.

While the importance of work values in promoting a positive organizational culture and enhancing employee engagement is increasingly recognized, their direct correlation with financial success in the manufacturing sector is not always clear-cut. Several factors may contribute to this uncertainty. First, manufacturing often prioritizes efficiency and productivity, which can dominate the importance of intangible assets such as employee morale and satisfaction. Second, a short-term focus on financial metrics can overshadow long-term investments in employee well-being and development. Additionally, the nature of productive work, often characterized by physical demands and standardized tasks, may reduce the importance of intrinsic rewards. These factors, combined with the challenge of accurately quantifying the impact of work values on financial performance, can obscure the true relationship between the two.

A strong foundation of work values such as integrity, responsibility and teamwork foster an environment where good governance can flourish. Good governance is essential for long-term financial success by ensuring responsible resource allocation, risk management and transparency. Although the study may not have found a direct connection among all the variable understudies, these factors are all interconnected and will contribute to a well-balanced corporate governance framework in manufacturing companies. By focusing on long-term impact, using a more comprehensive measurement approach, and ensuring clear links between these factors, future research and corporate governance practice will be able to create a closer relationship between them.

4. Conclusions and recommendations

The study revealed moderate agreement on the corporate social responsibilities of manufacturing companies in terms of economic, social and environmental practices. The study found a moderate agreement among respondents' work values with a focus on intrinsic, extrinsic and social aspects of their work. The findings revealed a strong agreement among respondents regarding the financial success of the manufacturing companies as to profitability, efficiency and liquidity. There is a significant relationship between economic perspective and extrinsic values. Significant relationships also exist between environment perspective and efficiency. An enhanced corporate governance framework was developed for manufacturing firms to continuously improve their CSR practices, work values and financial success.

The Human Resource Head and department managers may create a well-defined CSR strategy which focuses on environment sustainability that aligns with the company's overall business goal to attract both investors and socially conscious consumers. Human resources managers can promote a positive and productive work environment that requires a solid foundation of social values through leadership models, employee training, recognition programs, open communication and diverse performance initiatives. Production managers can

continuously implement strategies to reduce costs and improve production efficiency to increase profitability. The enhanced corporate governance framework may be adopted for use by other manufacturing firms. Future researchers may conduct in-depth studies of specific industries to identify unique challenges and opportunities related to CSR, work values, and financial performance.

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