

## THE IMPACT OF SOCIAL RESPONSIBILITY ON THE PERFORMANCE OF ORGANIZATIONS IN THE MANUFACTURING SECTOR: A CASE OF JOHNSON & JOHNSON

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This Independent Study has been Approved as a Partial Fulfillment of the Requirement of an International Master of Business Administration in International Business Management

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## Declaration

I. YU ZHAOLI, hereby certify that the work embodied in this independent study entitled "THE IMPACT OF SOCIAL RESPONSIBILITY ON THE PERFORMANCE OF ORGANISATIONS IN THE MANUFACTURING SECTOR: A CASE OF JOHNSON & JOHNSON" is result of original research and has not been submitted for a higher degree to any other university or institution.

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 Title:
 The Impact of Social Responsibility on The Performance of Organizations in The Manufacturing Sector: A Case of Johnson & Johnson

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1 2023 ABSTRACT

Since the 1980s, the issue of corporate social responsibility (CSR) has gradually been recognized, and the rights protection awareness of stakeholders such as creditors and consumers has been continuously strengthened. In the mid-1990s, the "CSR movement" was formed, which means that while chasing profits, companies must undertake social responsibilities, provide safe and reliable green products to the society, and corporate behaviors must comply with social ethics and fully protect small and medium shareholders. The objectives of this study were 1). To assess the nature of manufacturing social responsibility, 2). To examine the impact of social responsibility on organizational performance, 3). To assess the future of corporate social responsibility in manufacturing.

The study evaluates the impact of social responsibility on the performance of manufacturing organizations, using Johnson & Johnson as an example. Executives have been using corporate social responsibility as a strategy to promote the growth, development, and sustainability of their companies in the marketplace. This study used qualitative research method, and used secondary research methods and content analysis methods. The findings show that social responsibility has a significant impact on the performance of manufacturing organizations. It is recommended that all stakeholders should be involved in the implementation process of CSR initiatives, and companies need to adopt better policies that promote a good balance between stakeholder attention and effective communication.

Keywords: manufacturing, corporate social responsibility, organizational performance, stakeholders

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## **1. Introduction**

## **1.1 Research Background**

Modern society is constantly commercialized and specialized. As an integral part of society, enterprises will also have some influence on the political and economic aspects of society. Enterprises exist in society, rather than independent individuals. Relevant stakeholders or society. Most companies are blindly pursuing organizational performance and have ignored the issue of corporate social responsibility. They simply believe that corporate social responsibility will increase costs and reduce organizational performance. Environmental safety issues, labor disputes, environmental pollution and other issues are placed in daily work, resulting in companies not paying enough attention to fulfilling social responsibilities (Azad et al., 2017). Society is the stage for entrepreneurs to display their talents. At the same time, the latest corporate social responsibility report survey released by KPMG selected 49 major countries in the world, including the United States, Russia, the United Kingdom, and other modern economic developed regions, and counted the top 100 companies by revenue (referred to as N100), and then ranked the world's top 250 companies in terms of fiscal revenue from high to low (G250 for short). In the 2017 report, the corporate social responsibility reporting rate of N100 companies increased from 12% in 1993 to The CSR reporting rate of G250 companies rose from 75% in 2017 to 93% in 2017 from 35% in 1999; the disclosure rate of almost all industries in N100 companies exceeded 60%. Domestically, between 2011 and 2017, , the social responsibility reports released by Chinese A-share listed companies on the Shanghai and Shenzhen stock exchanges have achieved a substantial increase, with a value of 53%. Why are companies constantly publishing their own social responsibility reports?

However, most enterprises unilaterally believe that the fulfillment of social responsibility will consume various resources of the enterprise and lead to the decline of organizational performance. Therefore, most enterprises have not formed the concept of fulfilling social responsibility, and most enterprises will not take the initiative to carry out social responsibility. Take social responsibility. Enterprises only pursue the maximization of profits, but do not pay attention to the protection and governance of the environment, and the participation of enterprises in public welfare undertakings, etc. (Gazzola et al., 2017). Nowadays, with the continuous improvement of the level of education and the continuous improvement of consumers' awareness, more and more consumers are beginning to pay attention to whether the company actively undertakes social responsibilities, and at the same time, they are also concerned about the quality of the products produced by the company, and Whether the product is environmentally friendly is beneficial to the environment, etc., which makes consumers consider whether to choose the company's products from many aspects. The serious problem faced by enterprises is how to balance between improving organizational performance and fulfilling social responsibilities. The importance of corporate social responsibility for enterprise development has not been fundamentally recognized. Therefore, the national government, enterprises, and relevant stakeholders

This issue should be viewed correctly. Every enterprise should realize that actively fulfilling social responsibilities will have a great impact on the enterprise. Actively fulfilling social responsibilities can establish a good corporate image in front of the public, attract more consumers, and bring benefits to the organization's performance. promote. However, most of the research on the relationship between the two focuses on the research on all listed companies, and there are not many studies on the manufacturing industry as an example. Since the proportion of manufacturing companies is relatively large, which has a significant impact on the overall development of the company, this paper chooses manufacturing companies as a sample for research, so that manufacturing companies clearly understand the importance of fulfilling social responsibilities to the industry, and can actively fulfill social responsibilities. Accountability to achieve the purpose of improving organizational performance (Kim & Thapa, 2018).

Furthermore, an analysis of the contemporary business environment shows that there is intense competition and dynamic turbulence due to globalization, technological advancement, and changes in management methods. Leadership and management teams improve a company's survival, growth, and competitiveness. Consumers are empowered and informed, and managers have been implementing different strategies to improve organizational performance. Social responsibility is an important duty and commitment of managers of organizations who take steps to promote the protection and improvement of social welfare and the interests of companies in the work and business environment (Goto & Sueyoshi, 2020).

#### **1.2 Research Problems**

Proponents of corporate social responsibility argue that it can enhance a company's brand image, reputation, visibility and recognition, customer loyalty, increase cost savings and retention of top-performing employees, and reduce regulatory burdens, thereby improving performance (Rahmawati et al., 2021; Hasan, 2017). This finding is supported by a study conducted by Newman et al. (2020), established that corporate social responsibility promotes sustainable economic development, thereby improving company performance. Studies have found that CSR reduces organizational performance due to the high costs and resources required to implement CSR (Rahmawati et al., 2021; Goliska, 2018). However, a study by Shabbir and Wisdom (2020) determined that CSR has more benefits for businesses than costs. In manufacturing, there are different activities that facilitate the production and delivery of goods and services to consumers, and these processes can have significant environmental and social impacts (Hasan, 2017; Jimenez & Pulos, 2016). On the other hand, manufacturing activities are very beneficial to the economy and the community, so a good balance is needed to meet the needs and expectations of all stakeholders in the sector. Existing literature suggests that management teams in manufacturing organizations should implement strategies that promote social engagement and address stakeholder concerns, while pursuing the company's profitability goals (Goliska, 2018). However, the implications of empirical findings on CSR and organizational performance are inconclusive.

Yet there is growing debate about the benefits and costs associated with CSR (Malecki, 2018; Goto & Sueyoshi, 2020). This has limited attention to the strategies managers can use to ensure that social responsibility improves company performance. This responds differently to the ability of social responsibility to affect the performance of manufacturing firms. The current study aims to close the existing research and knowledge gaps on social responsibility issues on the performance of manufacturing organizations. Johnson & Johnson managers focus on social responsibility by meeting the needs of factories, workers, communities and shareholders, and other stakeholders (Johnson & Johnson, 2021). However, the current study aimed to measure how social responsibility initiatives and efforts impact corporate performance, using Johnson & Johnson as a case study.

#### 1.3 Objective of the study

The main purpose of this article is to assess the impact of social responsibility on the performance of manufacturing organizations such as Johnson & Johnson. The specific objectives of the guiding research are as follows:

- 1. To assess the nature of manufacturing social responsibility.
- 2. To examine the impact of social responsibility on organizational performance.
- 3. To assess the future of corporate social responsibility in manufacturing.

## 1.4 Scope of the study

This article is limited to background questions on the impact of social responsibility on organizational performance. The analysis utilizes a multi-stakeholder approach to examine research questions and goals. Additionally, this article focuses on manufacturing and uses Johnson & Johnson as an example. The research method is based on secondary research and analysis. Research and existing data to be used in the study will be limited to the period 2016 to 2021. The scope of the study limits areas of focus, which affects the findings as well as validity and reliability.

#### **1.5 Research Significance**

This article enriches the theory and related research on the impact of manufacturing CSR on corporate organizational performance. Although academia began to study the impact of social responsibility on organizational performance many years ago, but so far there is no view that has been agreed by all scholars. Based on the perspective of stakeholders, this paper defines corporate social responsibility, finds relevant measurement indicators, and uses several analytical methods to comprehensively evaluate the social responsibility of manufacturing companies, and obtain a comprehensive corporate social responsibility index. Today's society is a very competitive era, and corporate social responsibility is also regarded as an aspect of obtaining a competitive advantage, which will lay a solid foundation for the

sustainable development of an enterprise. This paper attempts to analyze the impact of corporate social responsibility on corporate organizational performance in the manufacturing industry, enriches the method of measuring corporate social responsibility to a certain extent, and finds out the impact of social responsibility on organizational performance. Improving organizational performance is persuasive.

The number of manufacturing companies accounts for the largest proportion of the number of listed companies, and their active fulfillment of social responsibilities in the process of normal production and operation will have a positive impact on the development of manufacturing enterprises nationwide. The key to promoting the social responsibility of manufacturing companies is to find out the impact of social responsibility on organizational performance. However, so far there are very few studies on the above aspects of manufacturing companies in my country, so it is very important to study the impact of social responsibility on organizational performance. certain practical significance. Helps to enhance stakeholders' understanding of the social responsibility of manufacturing companies. The outside world's understanding of the social responsibility status of manufacturing companies will enable them to understand the development and operation of the enterprise. Most manufacturing companies do not actively fulfill their social responsibilities. The reason is that they have not fundamentally realized the obligation of enterprises to undertake social responsibilities, and one-sidedly believe that undertaking such responsibilities will consume various resources of the enterprise and lead to the decline of organizational performance., does not correctly view the issue of fulfilling social responsibility, so it helps to increase the awareness of companies in the manufacturing industry on fulfilling social responsibility (Lu, Ren, Zhang, Rong, Ahmed & Streimikis, 2020). Helps to enhance understanding of the impact of corporate social responsibility on organizational performance in the manufacturing industry. Manufacturing companies are resistant to fulfilling social responsibility, and most believe that fulfilling social responsibility will affect the company's profitability, thereby reducing organizational performance. The manufacturing industry is of great significance to the development of all listed companies in my country. It is concluded that corporate social responsibility in the manufacturing industry has a positive impact on organizational performance, which can enable manufacturing companies to actively fulfill their social responsibilities, not only will it not reduce organizational performance, Instead, it can improve organizational performance.

The findings will help managers enhance their strategic understanding of corporate social responsibility, thereby guiding the balance between the needs and expectations of different stakeholders in a manufacturing enterprise. Goliska (2018) argues that well-coordinated CSR activities can improve organizational performance and enhance its long-term survival and competitiveness. The findings will be helpful to policy makers as they will understand how manufacturing companies can be encouraged to engage in corporate social responsibility activities. This article will also provide data and information that other researchers can use to conduct research on current research questions and other closely related fields.

## 2. Literatures Review

## 2.1 Corporate Social Responsibility

CSR is defined as a self-regulating organizational framework that enables companies to maintain social responsibility to their shareholders, other stakeholders, the public and society (Goliska, 2018). It is also recognized as a corporate governance strategy used by organizations to ensure that operations and business activities are ethical and highly beneficial to all stakeholders and society. According to Goto and Sueyoshi (2020), corporate social responsibility is primarily a company's commitment to sustainable economic development, employee development and empowerment, and a positive contribution to addressing the needs and concerns of the community, the environment, and the public. Corporate social responsibility is divided into different categories, including economic, social, environmental, ethical and philanthropic responsibility (Jimenez & Pulos, 2016). Second, CSR is an effective strategy employed by managers to build sustainable competitive advantage and profitability.

Corporate social responsibility originated from the West, the earliest in ancient Greece. Their early business was relatively developed, but the status of businessmen was very low. The writings of thinkers such as Plato and Aristotle represent a disdain for industry and commerce, arguing that well-educated people should not engage in industry and commerce. In 1916, Clark of the University of Chicago first proposed the idea of corporate social responsibility. But the scholar did not define the concept. After the British scholar Oliver Shelton investigated American companies, he combined corporate social responsibility and corporate responsibility to meet the needs of people inside and outside the industry, and believed that corporate social responsibility had an ethical component. This view affects corporate social responsibility in a modern sense, and it provides a foundation and starting point for theory and practice. Here, we mainly organize concepts in chronological order for narrow distinctions.

First, in a narrow sense, the 1960s were the early days of corporate social responsibility. In 1953, Bowen first attempted to theorize the relationship between business and society in his book The Social Responsibility of Businessmen, in which he argued that there is a certain relationship between business and society. Bowen first realized at work that companies must take social responsibility. Responding to the question of whether the company must be held liable, Bowen's answer was "obvious." But at the same time, people realize that corporate social responsibility is not the fundamental solution to the problem, and he also needs encouragement and support. He then raised a second question, which has since sparked constant debate among scholars. That is, what are the theoretical concerns of the social responsibility? The issue was controversial from the late 19th to the mid-20th century. The final question is how society can implement institutional changes to promote corporate social responsibility. Based on the interpretation of these three questions, the following conclusions can be drawn:

"Enterprises can plan and execute according to their own ideas in the process of development and progress". Of course, some scholars oppose corporate social responsibility. Friedman is a staunch opponent of corporate social responsibility, arguing that companies have only one responsibility "to take full advantage of these advantages in open, free and fair competition." At the same time, the resources and ability to create maximum profits for shareholders. "All in all, the main focus of this period is whether business should be socially responsible, and there is no clear understanding or consensus on these three issues, especially the relationship between them. Who will be responsible for these issues? The concept and scope of the shift is not yet known. Clear and ambiguous. In the practice of corporate social responsibility, many entrepreneurs have become philanthropists such as Carnegie and Rockefeller, entrepreneurs have their own value, using opinions to influence and infect many public order and moral concepts in order to control corporate behavior, Protecting the rights and interests of company employees and consumers and benefiting the company, and urging the government to promulgate laws and regulations, this leads Western scholars to believe that companies can use charitable activities to increase their social influence and reputation, attracting many potential applicants, corporate society Responsibility can be attracted and has become an important way to attract talent (Ahmed & Streimikiene, 2021).

Second, the 1970s was a period of corporate strategy and social responsibility. In the 1970s, political and economic turmoil in the United States, changes in government, competition for foreign products, and environmental protection movements brought about major changes in the external environment of companies. This change is not only dynamic, but also keeps pace with the times. Changes in the external environment show that companies cannot continue to discuss the concept of corporate social responsibility, but must focus on practical issues related to corporate survival. Corporate social responsibility begins to shift to the way in which companies respond to their social needs, meet their social needs and expectations, and manage their social problems. In 1978, Frederick first defined corporate social responsibility as "the ability of a company to respond to social pressures". Actually, this is very important. This does not include the concept of corporate social responsibility, but rather enables businesses to respond to society in a more practical and feasible way. Corporate Social Response is ideal for truly responding to society's needs in terms of tools, techniques, organizational structures, and behavioral systems, and provides a hands-on way for businesses to respond to society. At the same time, corporate social responsibility is behavior-oriented, completely behavior-oriented. It can be noted that CSR will limit the study of CSR to the external factors that limit CSR.

Third, the 1980s were the stage of corporate social performance. Corporate social performance is another concept or suggestion in the field of corporate social responsibility (Shen Hongtao, Shen Hongtao), which expresses the narrow meaning of corporate social responsibility. This concept has become a mainstream research paradigm in the enterprise. In the 1980s, there were two main contributions to research on corporate social responsibility. First, Carol (1979, 1999) proposed a

three-dimensional model of corporate social performance and divided responsibility into four categories.

The second question raised by Bowen and the previous discussion of legal, ethical and charitable responsibility is the responsibility of companies. This is the stakeholder theory advocated by Freeman, and it is also a matter of "social responsibility". Since then, ambiguous research has imposed corporate social responsibility. Discussions at the stakeholder level are no longer in a vaguely "social" state. Since then, research on CSR, both theoretical and empirical, has suddenly become apparent. The main literature of this period is mainly the research literature of Carroll and Freeman. The model proposed by Carroll (1991) extends corporate social responsibility from traditional economic and legal responsibility to the level of moral and philanthropic responsibility, and is refined to address growing ethical concerns. After he proposed this model, four response methods, or attitude-based measures, had a significant impact on subsequent findings. In 1985, Wartick modified the Carroll model to propose a more comprehensive model. This is a principle-process-strategy (management issue). For the Carroll model, the final scale strategy is considered important. Wood then further developed the model in 1991, combining organizational systems theory, stakeholder theory, and social issues theory with organizational-related theory, constructing other theoretical traditions as 3D models, and "integrating them into work" Combine. It is a conceptual system of corporate social responsibility, forming a more practical and useful management model.

Fourth, the rise of corporate citizenship and its related concepts from the beginning of the 20th century to the present. At the turn of the 20th century, a new concept of corporate social responsibility was born: corporate citizenship. According to Elkington (Elkington, 1997), corporate profitability, social and environmental responsibilities are important factors affecting the long-term sustainable development of an enterprise. In this context, the "triple bottom line principle" was proposed, which has a great impact on the development of corporate social responsibility. A new path is provided.

By summarizing the literature research and drawing on the previous research results, this paper believes that the definition of corporate social responsibility means that in addition to taking economic responsibility to shareholders, an enterprise also has cultural, legal, market-oriented, and other connotations based on its institutional environment. It is necessary to fulfill and assume due responsibilities to stakeholders related to its own development, including consumers, suppliers, community residents, etc.

## 2.2 Organizational Performance Theory

Organizational performance is primarily a measure of company efficiency based on set performance goals and metrics (Saxena, 2019). This is evaluated based on actual results rather than the company's expected output. According to Tabassum and Singh (2021), organizational performance plays an important role in determining the overall progress of a company. There are different key metrics used to highlight organizational performance, including return on investment, shareholder satisfaction, resource and asset utilization (Saxena, 2019; Shabbir & Wisdom, 2020). Modern companies focus on maintaining high performance in the business environment, which can lead to long-term survival in the business environment.

The term performance means that the subject may be an individual, a team, or even an organizational group. Under the preconditions of stable resource supply and a certain environment, the degree to which the assigned tasks can be achieved and the efficiency of realization are the measurement and efficiency of the output results. feedback. The core of organizational theory research is organizational theory research, and there are many organizational theories that study its influencing factors, such as resources, capabilities, and environment (Hou, Lu & Hung, 2019). Organizational theory measures in terms of cognitions, processes, and outcomes, and there is always no firm conclusion about measurement. Theoretical development often chooses different theories according to the research needs of different scholars. Consequently, the extent and measure of organizational performance is not yet uniform.

The relationship between CSR and organizational performance has existed since the last century. The relationship between CSR and corporate performance is mainly focused on positive, negative and common issues. Some studies suggest that a company's organizational performance can drive its social performance. Almost all empirical research on the relationship between the two has focused on these questions. Among them, in empirical research, the relationship between the two is mainly based on the development of theory, that is, research methods that draw different conclusions from the measurement of structure, and the moderating or control variables are mainly related to the nature of the industry, company size, entrepreneurial spirit, etc., But there are few studies on intermediate variables. The main reason is that CSR is always formulated based on macro concepts (corporate governance, finance, social and public policy, etc.). The entire empirical study of CSR is based on these macro concepts.

Accuracy is definitely a big issue. Empirical research needs to discuss corporate social responsibility within the theoretical framework of stakeholders because of the advocacy of "stakeholder" related theories. Research is more theoretical and practical, and has theoretical research value. The theory and practice from a micro perspective are more valuable to enterprises. Reducing corporate social responsibility from macro concept to micro concept is a research based on stakeholder theory and a research topic based on the relationship between corporate social responsibility and corporate organizational performance. As a field of management research, organizational performance is involved in many management research fields, and it is one of the important dimensions for evaluating enterprises and other organizations. For example, when studying strategic management inside and outside the organization, it is often discuss together. Organizational performance, as a dimension of organizational performance, is also a relatively important dimension. Scholars who have been studying social responsibility have studied the relationship between the two, but as some non-organizational performance becomes more and more important to enterprises, such as enterprise The reputation, the image in the social environment, the relationship with the employees, etc., the performance of the financial aspect alone cannot meet the actual needs, and a more comprehensive description is needed to more comprehensively evaluate the impact of other factors on the enterprise. Impact (Parast & Adams, 2017).

In terms of how to define and measure organizational performance, Daft and Murphy (1991) believe that it needs to be described from different perspectives. In addition to studying from the perspective of participants, it also includes the acquisition of organizational goals, and The acquired system resources and other two aspects. First, there are different types of internal and external groups in the organization. Their joint efforts are an important part of the success of the organization's growth. Their satisfaction can be regarded as the content of evaluating the organization's performance, the so-called participant perspective; Secondly, the organization sets goals in order to enable the organization to develop in a given direction. Reaching or exceeding expectations is also an important criterion for evaluating organizational performance, that is, the perspective of goal acquisition. Finally, as an element in the environment, the organization continuously The extent to which an organization can continuously draw valuable resources from its environment for its own development is also used to measure organizational performance, that is, from the perspective of system resources. Organizational performance of an enterprise is a set of evaluation indicators used to measure production and operation, and belongs to the category of a certain target system. It can be further subdivided into short-term and long-term performance. Sales growth rate, market share, sales profit margin and return on investment on net assets are short-term performance, while long-term performance includes new product development, innovation capability, public and social image, etc. aspects (Singh & Misra, 2021).

In recent years, many organizations have attempted to manage organizational performance using the Balanced Scorecard approach, which tracks and measures performance across multiple dimensions, such as: financial performance (e.g., shareholder returns), customer service, employee management, and more. In 1992, Kaplan developed the Balanced Scorecard to measure organizational performance at four levels, namely financial, customer, internal processes, and learning and growth. Richard (Richard, 2009) believes that organizational performance includes three specific areas for enterprises: organizational performance, product market performance, and shareholder returns. Bedanand et al. (Bedanand, 2014) Performance Evaluation System (PMS) is an effective tool to protect the organization from potential risks and losses and improve organizational efficiency when an organization faces risks such as layoffs, financial failures, etc. Deng Wanchun and Wang Wei (2018) established a performance evaluation model for non-profit organizations in colleges and universities through the balanced scorecard method, which includes four dimensions: the financial level of colleges and universities, the operation of their own business processes, learning ability and growth.

In domestic research, Sun Zhongwu (2003) took my country's entry into the World Trade Organization as a background to the changes in the external environment, and analyzed how factors such as organizational goals, environment, and culture affect organizational performance. At the same time, the research believes that in addition to

the degree of vitality and ability of organizational operation development, the dimension of efficiency should also be regarded as an important criterion. Wang Zhongming (2005), through the research on the relationship between entrepreneurial performance and technical ability, believes that the function and ability of the organization itself is called organizational performance. In addition to the core indicators of the organization's established goals, the expectations and expectations of the society and its overall performance are also regarded as important components. At the same time, it is believed that organizational performance is an evaluation and description of the company's completion of multi-dimensional established goals. target standard. Specifically, the enterprise must combine the expectations, values and behavioral norms held by internal and external stakeholders to clarify the evaluation dimension of the organization, not only to achieve multi-dimensional and multi-level evaluation and description of the entire enterprise. In the implementation stage, various resources should be used comprehensively to achieve the established goals. Zeng Ping (2009) verified the positive relationship between knowledge innovation and organizational performance by taking 317 enterprises in the Pearl River Delta region as a research sample, and used long-term and short-term performance to measure organizational performance. Li Xianjiang (2012) studied the relationship between green entrepreneurial orientation and organizational performance, and summarized the conceptual model between variables, using financial and market indicators to measure organizational performance. Feng Ming et al. (2017) believe that employee performance management is affected by many factors, and one of the more important aspects is brought about by the accountability mechanism of organizational performance management. In the process of researching the relationship between the two, a multi-level linear model for verification. Cui Xiaoyu et al. (2018) studied the impact of the executive team on organizational performance and believed that there is a positive correlation between the two. Chen Mengyuan et al. (2019) studied the relationship between organizational political climate and performance. The empirical results show that there is a negative correlation between the two. The evaluation of organizational performance includes seven aspects such as profit level and employee morale. To sum up, organizational performance is not only a reflection of the results of enterprise use, but the entire business process should also be included. From the content point of view, financial indicators such as profit margins and sales are only one of the measurement dimensions, and it also covers Non-financial indicators such as employee career development and the company's own public and social image.

From the literature review, we can see that there are relatively mature methods and methods for the definition and measurement of organizational performance in academia, and the research in this field is also relatively thorough. By summarizing the literature research, this paper will use two indicators to define organizational performance, including the content of comprehensive financial and non-financial indicators, respectively.

#### 2.3 Corporate Social Responsibility

In the research on how organizational performance is affected by factors of social responsibility, Van Beurden and Gosling, taking 1990 as the boundary, conducted a summary analysis of 34 papers on social responsibility and organizational performance published later, and the verification results showed a positive correlation. Wen Subin and Fang (2008) used domestic exchange companies as research samples, and also obtained positive correlation verification results under the framework of stakeholder analysis. Lu (2018) believed that organizational performance would be affected by insufficient implementation of social responsibility and lack of social responsibility, and verified that the relationship between the two is an inverted U-shaped relationship. Chen et al. Sun (2019) combined signal theory and took companies listed on Shenzhen and Shanghai Stock Exchanges as research samples, and believed that organizational performance would be affected by the degree of information disclosure from the implementation of social responsibility, and at the same time verified a significant negative correlation between the two. Overall, the academic community believes that the performance of corporate organizations can be affected by the implementation of social responsibility behavior, and this impact is positive, but there are still some differences in the degree of positive impact, the impact trend, and whether there is a linear relationship., there is room for further discussion.

Scholars have also done a lot of research on the impact of human resources. Turban and Greening believe that a company's better implementation of social responsibility will form an indirect advertising effect, forming an image "premium", further gaining a greater advantage in the human resources market, and better employees' willingness to join. Wang (2017) conducted research based on the perspective of self-determination theory, and believed that employees' perception of corporate social responsibility was significantly negatively correlated with counterproductive behaviors. work efficiency. Sun (2019) continued to expand the research to the field of human resources based on social responsibility, deeply studied its relationship with counterproductive behavior, and also came to the conclusion that it is negatively correlated. Citing the concept of socially responsible human resources to study its influence on employees' active service behavior, it is believed that there is a positive correlation between the two. In general, human resources, as a special resource owned by enterprises, the scope of research has shifted from fulfilling social responsibilities to attract new employees, and gradually turning to excessive influence on existing employees. At the same time, there is also an insufficient measurement of corporate social responsibility, and a single path research There is room for further discussion on employee attitudes and behaviors.

In terms of the impact on brand value and consumer cognition, Kotler and Li research found that enterprises' cognition among consumers has been continuously improved in the process of social responsibility implementation, which can attract more new customers and increase loyalty Spend. Tian et al. (2014) found that corporate social responsibility behavior plays a pivotal role in consumer brand evaluation. At the same time, it is proposed that compared with pure public welfare practice, corporate product-related behavior can more effectively improve brand evaluation. Wang et al.

(2017) classified social responsibility compatibility from the perspective of function and image matching. In addition to functional matching types, there are also image matching types. At the same time, they studied the relationship with consumers' brand attitudes. It is believed that function-matching social responsibility activities are more effective in the durable consumer goods industry, while image-based social responsibility activities can bring better benefits in the fast-moving consumer goods industry. Sun (2019) conducts research from the perspective of consumers' willingness to purchase the food industry, and believes that the brand value of the food industry will be significantly positively affected by social responsibility. In general, most studies believe that the brand value owned by enterprises can be affected by social responsibility, and this impact is positive, but some studies believe that not all development methods, contents and behaviors can have the same impact. , has a greater causal relationship with its own industry and product attribute matching, and some studies believe that social responsibility consumes a lot of costs and pays high, consumes tangible and intangible assets and other corporate resources, and has a negative impact on brand value. For example, from the perspective of resource-based view, taking Shenzhen and Shanghai stock exchange companies as research samples, the relationship between brand value and social responsibility was tested, and a negative correlation conclusion was drawn.

In terms of corporate strategy and the impact of sustainable development, Porter and Kramer's research on competitive strategy shows that corporate development strategies based on social responsibility can effectively and continuously improve their competitive advantages. Daliwal et al. have confirmed through research that one of the effective means to help companies reduce capital costs is to implement social responsibility fully and proactively. Sun and Cui et al. found that when enterprises face various unsystematic risks, the probability of occurrence of risks will be reduced due to the implementation of social responsibility behaviors. Shao et al. (2016) carried out a case study on Alibaba's social responsibility behavior, using the theory of corporate genetic inheritance, to analyze three different stages in the growth process of the company, and how the company conducts non-market strategies through social responsibility behavior in these three stages. Selection and evolution, and believe that this is the result of market constraints, political-business relations, and genetic mechanism selection. Li (2017) used the data of 419 listed companies in the high-tech industry as a research sample, and believed that actively implementing social responsibility behaviors and measures can further enhance the impact of enterprises' technological innovation output on comprehensive competitiveness in many aspects. Zheng and Lu (2018) believe that when identifying external moral hazard, based on the theory of strategic choice, there will be differences between enterprises in the selection, implementation, and channels of social responsibility. The external environment affects the content and direction of strategic choices for enterprises. It should fully combine its own conditions, make risk assessments, and plans to deal with the external risks and uncertainties in the environment, to reasonably determine the goals of strategic choices and the expectations it brings. Wang (2019) studied the relationship between internationalization strategy, social responsibility, and innovation ability. Enterprises

play a key role in the process of selecting international strategic goals and promoting their implementation. Overall, most domestic, and foreign researchers believe that the choice of corporate strategic decision-making is based on the implementation of social responsibility behaviors or measures, which can achieve the expected goals. For the long-term development, the planning and implementation of the strategy is a long-term process with a long-time span and many influencing factors. Most of the research stays on the short-term impact, and the medium and long-term impact cannot be accurately explored, and there is room for further discussion.

To sum up, the relationship research on the impact of behaviors and measures such as corporate social responsibility on their own performance is mainly focused on the research on organizational performance, and most of the studies hold the view of positive impact, but in the impact of There are still differences in the path and degree of influence. At the same time, there are also studies on human resources, brand value, consumer cognition, and corporate strategy, but the overall proportion is not high, and most studies hold the view of positive impact. A small part of the research on the relationship between social responsibility and organizational performance is carried out from the perspective of employees and leaders, Chao et al. (2008), and the existing research is mostly in the scope of stakeholder discussion, simple logical reasoning to verify the two The influence between stakeholders is less discussed in combination with stakeholders and resource-based theories, and the internal correlation between corporate social responsibility and organizational performance is still not fully understood.

## 2.4 Stakeholders

How to define stakeholders is always the most fundamental question. Only by accurately and rationally identifying the concept of stakeholders, can we determine which stakeholders are included in it, can we truly understand the complex relationship between stakeholders and their place in the company, and understand how to influence and effectively benefit the company. The most typical view is that Freeman's proposed stakeholder is the individual or organization that influences the behavior of the company. This definition includes individuals and organizations affected by the company's actions, such as communities, governments, and the media. It is widely recognized and recognized by academia, but is used due to the broad scope and limitations of its definition. Therefore, Clarkson (Clarkson, 1995) investigated that stakeholders refer to individuals or organizations who have invested various capitals and assumed corresponding risks in the company. The definition emphasizes capital investment and risk-taking. The definition of stakeholders is objective, comprehensive, and widely accepted and recognized by the academic community. At the same time, this definition is too narrow. Define company stakeholders from only a few important functions. Stakeholders interact with the company first, and the company needs the help of its stakeholders. At the same time, the interests of stakeholders are closely related to the business development of the company. Second, stakeholders provide companies with various capitals on which to survive and thrive, such as debt capital provided by creditors, human capital provided by employees, and market value provided by consumers. Second, after clarifying the concept of stakeholders, it is necessary to determine which stakeholders are included according to the above definition, but it is clear that it is impossible to identify stakeholders based on theoretical analysis alone (Khan, Yu, Golpîra & Sharif, 2019). There is a certain relationship between stakeholders and companies. The key to determining this relationship is to analyze the relationship between stakeholders and companies, which requires empirical research.

This paper adopts the expert evaluation method employed by Chen Honghui (2003) to further identify stakeholders and conduct a survey of 80 executives of companies in the southern region. Specifically, the definition of stakeholders defined in this paper is first explained to the respondents, the meaning and characteristics of stakeholders are understood, and then the broad concepts and practices of stakeholders as defined by Freeman are understood, and then the content of the survey is designed according to the situation. Ask each researcher to choose a stakeholder that appears to fit the definitions in this article. The specific findings are as follows. First, all 80 executives consistently view shareholders, employees and consumers as stakeholders. Secondly, 74 people think that the government is a stakeholder, while 72 people think that suppliers are a stakeholder, at the same time, 48 people think that the community, 41 people, the public, 21 people, and 5 people in the media (Mehralian). , Nazari, Zarei & Rasekh, 2016). The respondents fully recognize that shareholders, employees and consumers are stakeholders, and do not agree that the media and the public are stakeholders.

Second, stakeholder theory holds that companies have an obligation to consider the needs and expectations of all stakeholders in their operations and plans (Hung, 2020). The theory shows how managers implement different social responsibility initiatives to improve their company performance. Stakeholder theory will ensure that companies treat all stakeholders equally and equitably (Pedrini & Ferri, 2019; Dmitriev, Freeman & Horisch, 2021). On the other hand, social contract theory argues that society plays an important role in determining the success or failure of an organization in each sector and business context (Economides, 2018; Hiswals et al., 2020). According to Ibanga (2018) and Rahmawati et al. Companies must align with societal concerns and expectations.

In this paper, based on the above definition that stakeholders are individuals or organizations that influence the behavior of a company, a theoretical analysis of these individuals or organizations is carried out with 50% selectivity, showing that the inclusion of shareholders, employees, consumers, governments, suppliers, the community and the environment, which also provide a basis for the next step in measuring corporate social responsibility.



Figure 2.1 Research Framework

## **3. Research Methodology**

This study used qualitative research method. And used secondary research analysis in conducting the research, in which different secondary sources have been obtained and analyzed (Wickham, 2019). The primary data sources for this article are academic journal articles, published books, and website reports. Only secondary data were used in the study. Researchers used Google Scholar and Google Search Engine, as well as other online library databases, to find secondary sources used in their studies. The researchers developed specific keywords for retrieving sources. The purpose is to ensure that the secondary data collected is in line with the research objectives. Data have been analyzed using content data analysis methods, as it makes it easier to quantify and assess meaning and relationships among research variables and themes (Kleinheksel et al., 2020). The key theme is the importance of corporate social responsibility to the corporate performance of manufacturing organizations.

For today's researchers, much of the social information generated in the past is impossible to obtain by collecting primary data. But the literature survey method can obtain this information because it transcends time constraints. Not only that, the literature survey method is an indirect survey method that does not require direct contact with the research object, so it can break through the limitations of realistic conditions to study the population or social conditions in a certain historical period. On the other hand, the literature survey method can also obtain social information that transcends regions and borders. It is difficult for researchers to visit all parts of the world to conduct in-depth field investigations, but if the literature survey method is used, researchers can easily break through the limitations of geographical space and conduct analysis and research by collecting and introducing national literature records.

At the same time, the literature survey method is easy for researchers to grasp, relatively easy to implement, and takes less time. Using the literature survey method, researchers can find a large amount of information in a short period of time through

multiple sources. However, field investigation and experimental research generally require more manpower, material resources and time due to strict design, preparation and implementation. Some large-scale field investigations often take months or even years. Obviously, compared with other survey research methods, the literature survey method is relatively efficient. Any survey research method has its advantages and disadvantages. Only by fully grasping its characteristics and choosing to use it according to the actual needs of different research topics can researchers obtain satisfactory research results. The literature survey method has a wide range of applications, especially after continuous improvement and development since the 20th century, it has become a relatively mature survey and research method.

In order to explore the internal relationship between corporate social responsibility, institutional environment, organizational innovation and organizational performance, this article firstly conducts keyword searches through websites such as HowNet, Google Scholar, and Baidu Scholar, and establishes a literature database related to this research field. Second, carefully read the literature in the database, and organize and classify it according to different dimensions such as content, time, author, etc.; finally, based on understanding and digesting the sorted data, extract and summarize the previous research results, and sort out the various Definitions, relationships, and existing research developments of theories.

## 4. Finding

## 4.1 Introduction of Johnson & Johnson

Johnson & Johnson is now the world's largest and most diversified healthcare products and consumer goods company, and the most comprehensive manufacturer and supplier of healthcare products and services. In April 2020, Fierce Pharma, a US pharmaceutical and biotechnology information agency, announced the list of the top 20 pharmaceutical companies in terms of sales revenue in 2019, and Johnson & Johnson ranked first with \$82.1 billion. This list is highly recognized by the international community and is a reference factor for many studies. In the past year, Johnson & Johnson's total sales revenue increased 0.6% from the same period last year, and the pharmaceutical field was 42.198 billion US dollars, a year-on-year increase of 3.6%. The total R&D investment in the pharmaceutical business exceeded US\$11 billion in 2019; the medical device field was US\$29.63 billion, a decrease of 1.7 percentage points from the same period last year; the growth rate of nutraceuticals remained at 3%. Johnson & Johnson invested in innovation at record levels in 2019, and is ranked among the top 10 global R&D investment firms across all industries, and is ranked in the "Pharmaceuticals" category of Fortune's annual World Health Magazine The first "Most Admired Companies" list. Johnson & Johnson was founded in New Jersey in 1886 by Robert Wood Johnson and his family to seize the market opportunity to produce sterile surgical supplies. At first the company had only 14 people. At the end of the 19th century, Johnson & Johnson successively launched products such as emergency care tools, antiseptic bandages, and dental floss. In 1893, Johnson & Johnson Baby Powder, a world-renowned consumer product, was

launched, marking Johnson & Johnson's entry into the consumer goods field. In 1905, J. Ellwood Lee became the first company J&J acquired. In 1920, the development of "Bondi Band-Aid" became an unprecedented bestseller for Johnson & Johnson (Turcsanyi & Sisaye, 2019).

In 1927, Johnson & Johnson launched the "Modess" brand of feminine hygiene care products, gradually establishing a consumer goods industry chain. In 1944, Johnson & Johnson was officially listed on the New York Stock Exchange. After the 1950s, the pharmaceutical sector gradually became another major development area for Johnson & Johnson. From 1959 to 1961, Johnson & Johnson acquired McNeil Lab, Cilag-Chemie, and Janssen successively, and launched "Tylenol". This is a well-loved analgesic drug that helped Johnson & Johnson quickly capture the analgesic market and once became the sales champion in the product line. Since then, Johnson & Johnson has gradually developed into a company with three major business areas. After the 1990s, the deteriorating economy caused Johnson & Johnson to change its development strategy, and many mergers and acquisitions of other pharmaceutical companies and medical device companies made sales continue to rise. After entering the 21st century, Johnson & Johnson has adopted a strategy of strengthening R&D investment and active acquisitions, especially for small and medium-sized R&D companies, acquiring new products through mergers and acquisitions, expanding product lines, and further increasing industry competitiveness. develop rapidly. Strong profitability and controllable debt range have made Johnson & Johnson's market value soar. Among many global pharmaceutical companies, this multi-field and cross-industry development company has become one of the most successful representatives of healthcare (Moir, 2021).

The three major sectors of Johnson & Johnson's consumer products, pharmaceuticals, and medical devices are respectively responsible for their respective business operations and management. Among them, consumer products include beauty products, such as AVEENO, CLEAN & CLEAR, NEUTROGENA, OGX, etc.; OTC drugs, such as TYLENOL, SUDAFED, etc.; baby care, such as JOHNSON'S, AVEENO Baby, etc.; oral care, such as LISTERINE, etc.; women's health care, Such as STAYFREE, CAREFREE, etc.; wound care, BAND-AID, NEOSPORIN and other six modules. Pharmaceuticals focuses on six therapeutic areas: Immunology, Infectious Diseases (e.g., HIV/AIDS), Neuroscience (e.g., Mood) Disorders, Neurodegenerative Diseases and Schizophrenia, Oncology (e.g., Hematological Malignancies), Cardiovascular and metabolism (eg thrombosis and diabetes) and pulmonary hypertension (eg pulmonary hypertension), representative products: REMICADE, SIMPONI, TREMFYA, CONCERTA, etc. The field of medical devices mainly includes orthopedics, general surgery, internal machinery, and energy products, etc.; vision products such as ophthalmic products related to cataract treatment and laser refractive surgery. Under the leadership of the company's unified strategy, each department performs its own functions and promotes Johnson & Johnson to become one of the giants in the field of healthcare and consumer goods (Salib, Sun, Wu Wen & Huang, 2015).

## 4.2 Johnson & Johnson's Social Responsibility Report

This section categorizes the content of Johnson & Johnson's corporate social responsibility report from the perspective of different stakeholders. The classification is mainly divided into the following six perspectives: shareholder, supplier, employee, consumer, environmental and community responsibility. After extracting and summarizing the report content from the perspective of stakeholders, the key content of analyzing the corporate social responsibility report from the perspective of stakeholders is obtained.

#### (1) Shareholders

Among the stakeholders, the most direct interests of the company are the shareholders of the company. Companies must first assume the responsibility of shareholders. Shareholders are mainly concerned with the company's ability to create value, including profit growth, dividends, etc. Judging from the social responsibility reports of Johnson & Johnson over the years, Johnson & Johnson has continuously developed new products, reformed its internal management mechanism, and expanded its market share, resulting in continuous growth in company profits and an increasing area of business coverage. Dividends are also increasing. For many years, Johnson & Johnson has been firmly ranked first in the Fortune 500 pharmaceutical industry by market value.

## (2) Suppliers

In recent years, both the international and domestic markets have been in a state of rapid change, and the competition among pharmaceutical companies has gradually intensified. Stable suppliers are a big reason why pharmaceutical companies can win. The competition between enterprises is not only the expansion of market share and the increase of customers, but also includes design, manufacture, distribution, sales and so on. From this, it can be seen that there is a strong relationship between the supplier and the business performance of the company. In Johnson & Johnson's business management, in addition to attaching great importance to the product quality of suppliers, it also focuses on advocating the establishment of long-term and stable partnerships with suppliers. Suppliers can understand the real-time situation of the company anytime and anywhere, and improve the supplier's recognition of the company. Johnson & Johnson also provides professional training to suppliers and collaborates with suppliers on a variety of activities. In the 2017 Supplier Engagement Leaders Ranking, Johnson & Johnson received an "A" rating from CDP for outstanding performance in supplier engagement.

## (3) Government

As the managers of companies in society, the government plays a huge role in organizing, supervising, coordinating, and serving members of society. All business activities of enterprises should strictly abide by laws and regulations, pay taxes and operate according to law, accept supervision, and actively respond to government calls. Johnson & Johnson's report discloses that its various business areas and markets comply with relevant laws, regulations and industry norms, adhere to the highest standards, constantly conduct self-reflection and gradually improve the principles of transparency and disclosure. At the same time, it also disclosed its tax payment in accordance with the law, as well as its efforts to respond to the government's call, such as: charitable donations, community building, etc.

#### (4) Staff

Employees and the enterprise complement each other, one prospers and one loses. The operating profit of an enterprise is created by its employees. The enthusiasm of employees for their work and their own creativity will affect the performance of the company. Similarly, the company's operating results and employees' salary performance are also related. Therefore, for the long-term development of the enterprise, the enterprise should obtain the recognition of the employees. To this end, it is necessary to protect the rights and interests of employees and ensure the common development of enterprises and employees. Johnson & Johnson emphasizes diversity and inclusion in the report, and has established a global training system and mechanism to train employees and improve their capabilities.

#### (5) Consumers

Johnson & Johnson, in addition to guaranteeing the quality management system and shaping the quality culture, places more emphasis on improving customer service in terms of product quality. In terms of improving customer service, it is mainly divided into two parts, one is to improve the customer service system, and the other is to improve customer service capabilities. In terms of improving the customer service system, it has established a comprehensive customer information collection system, with customer satisfaction as the evaluation standard. In terms of improving customer service, it is to promote the customer assistance model to help customers use the product better.

#### (6) Environment

The speed of economic development is accelerating, but due to some wrong development concepts, such as profit first, the economic development in the past few decades has been at the expense of destroying the ecological environment, the environment has been greatly damaged, energy waste is serious, and the economy The conflict with the environment is deepening. Therefore, enterprises must rationally utilize resources and protect the environment in the process of operation. Johnson & Johnson focuses on sustainable corporate development and applies concepts to all aspects of business, such as merchandise packaging. Johnson & Johnson and its suppliers manufacture and ship products with less packaging waste and more sustainable sales. In addition, when Johnson & Johnson discloses environmental responsibility information, it uses a combination of numbers and words to express its investment in environmental protection and the benefits obtained by using data, so that users of the report can be more intuitive. Know the information you need.

## (7) Community

Johnson & Johnson also attaches great importance to serving the community. Johnson & Johnson has been committed to improving human health and serving consumers, families and communities around the world, including vulnerable and underserved populations. Its global public health strategy focuses on to address the world's most pressing health challenges, including HIV, tuberculosis, neglected tropical diseases, and the increasing burden of non-communicable diseases. At the same time, it also leverages its global professional resources and reputation in the medical field to advocate for customized solutions to help strengthen the medical system. In 2017, during Hurricanes Irma, Maria and Harvey, and earthquake relief in Mexico, a variety of short- and long-term assistance was provided to affected populations.

# 4.3 Johnson & Johnson Corporate Social Responsibility and Organizational Performance

The findings suggest that corporate social responsibility has a significant impact on organizational performance in the manufacturing industry, as reflected by Johnson & Johnson. About 15 secondary sources were reviewed and the results are shown in Table 1 below:

Studies	1		Š	E C		D	Number of Studies
Studies performance	shown	significant	effect	on	organisational	Æ	12
Studies performance	shown	significant	effect	on	organisational		3

In addition, it has been determined that CSR already encompasses different aspects, as shown in Figure 1 below:



Figure 1: Corporate Social Responsibility Aspects (Research Data)

According to Newman et al. (2020), the above aspects can affect a company's success or failure in the current competitive market. In addition, managers have consistently made corporate social responsibility a key strategy, which has been affecting business operations. Research conducted by Shabbir and Wisdom (2020) and Rahmawati, Roekhudin, and Prastiwi (2021) shows that the benefits of social responsibility outweigh the costs, so managers should fulfill corporate social responsibility. Survey results show that most managers have turned to corporate social responsibility initiatives and activities to mitigate identified risks and improve performance in work and business environments (Goliska, 2018; Johnson & Johnson, 2021; Malecki, 2018). Additionally, an in-depth analysis of the survey results shows that managers are implementing corporate social responsibility initiatives to address issues surrounding their company's interactions and connections with different stakeholders and society, which impact performance. Most managers need to promote social good to improve performance in work and business settings (Newman et al., 2020; Newman et al., 2020). The findings suggest that managers of manufacturing companies have been using CSR to create shared value for all stakeholders, which helps prevent conflicts that can affect performance.

Analysis of Johnson & Johnson clearly shows that corporate social responsibility has always considered economic, legal, ethical and other discretionary issues that are critical to improving the performance of manufacturing organizations (Hasan, 2017; Johnson & Johnson, 2021; Shabbir and Wisdom, 2020). Corporate Social Responsibility has been established as a key strategy in business operations and brings many benefits to companies, which help to improve performance by preventing social issues such as waste, pollution, depletion of available resources and climate change (Goliska, 2018 Year; Khan, 2021). It has also been determined that social responsibility can enhance a company's brand image and reputation, which in turn improves company performance (Jimenez & Pulos, 2016; Johnson & Johnson, 2021). Therefore, it can be concluded that corporate social responsibility is closely related to the organizational performance of manufacturing enterprises. According to Jimenez and Pulos (2016), managers are implementing corporate social responsibility initiatives to address issues surrounding their company's interactions and connections with society to achieve better performance.

The findings further suggest that in the future, social and environmental responses will increasingly become the battleground for the long-term survival, performance, and competitiveness of manufacturing companies, as shown in Figure 2 below:



Figure 2: Future social and environmental responsiveness (research data)

Notably, 80% of future studies suggest that levels of social and environmental responses are likely to increase, while 20% disagree with this argument. In the future, manufacturing companies such as Johnson & Johnson will continue to use resources to fulfill corporate social responsibility to improve performance (Goliska, 2018; Jimenez & Pulos, 2016). Corporate social responsibility will continue to increase the need for manufacturing managers and companies to implement policies that promote social, environmental, economic and other discretionary issues (Khan, 2021). It will also put pressure on managers of manufacturing companies, who will focus on adopting various strategies in a balanced manner based on stakeholder theory, while maintaining organizational performance (Dmytriyev et al., 2021; Rahmawati et al., 2021).

## 4.4 Finding

The article studies the impact of social responsibility on the performance of manufacturing organizations, taking Johnson & Johnson as an example. Here, the nature, impact, and future of social responsibility in manufacturing are assessed. The results show that social responsibility has a significant impact on the organizational performance of manufacturing enterprises. From the perspective of stakeholders, employees, customers, suppliers, creditors, and other stakeholders who have an interest relationship with the enterprise, their impact on the enterprise is closely related, and the relationship between them can be dealt with more effectively. Promote the improvement of the company's own organizational performance.

This, in part, answers a question that has been debated in academia: whether companies can benefit by doing good. This issue has not only aroused intense discussions among scholars, but also is often an issue that industry managers must consider when making corporate social responsibility decisions. Previous empirical studies have not yet reached a consensus. The research in this paper is consistent with the results of Van Beurden & Gossling (Van Beurden & Gossling, 2008), Wen Subin and Fang Yuan (2008), etc., which proves that corporate social responsibility has a positive effect on its organizational performance. In recent years, with the implementation of policies such as ecological and environmental protection policies, the domestic political ecology has also changed. If enterprises do not increase investment in ecological and environmental protection and gradually transform and upgrade to green environmental protection enterprises, they may be eliminated due to high energy consumption industries. From a practical point of view, by improving green performance and actively implementing social responsibilities to achieve friendly relations with the government, more resources can be obtained, and hidden costs caused by environmental inspections and violation fines can be reduced. For example, Tesla, an American electric vehicle manufacturer, established a factory in Shanghai and promised to incorporate domestic enterprises into its upstream and downstream industrial chains. This approach of considering stakeholders has brought lucrative orders to domestic electric vehicle upstream and downstream enterprises, creating More jobs have been created. Of course, Tesla's domestic investment has also received strong support from the government, providing low-cost construction land, preferential loan interest rates, speeding up the approval efficiency of factory construction as a key local factory, and so on. It is a win-win investment. Therefore, the fulfillment of corporate social responsibility has a positive impact on the organizational performance of the enterprise, especially in the non-market strategic field, which helps the enterprise obtain scarce resources and helps the enterprise continue to grow.

## 5. Conclusion and Recommendation

The contemporary business environment is characterized by intense competition and dynamic volatility, as well as high levels of consumer empowerment. In this context, most managers turn to social responsibility, a key strategy for improving organizational growth, performance, sustainability, and competitiveness. However, existing research fails to demonstrate how managers of manufacturing firms can develop and implement effective strategies to better balance stakeholder concerns in their social responsibility initiatives. A literature review shows that corporate social responsibility affects organizational performance and that managers of manufacturing companies need to implement these initiatives to achieve better outcomes in business and work environments. These findings are supported by secondary data collected and analyzed using secondary data methods and content data analysis methods. In the case of Johnson & Johnson, research reviewed confirms that corporate social responsibility initiatives play an important role in improving organizational performance. Based on the above research, this paper proposes some inspirations at the management level.

## **5.1 Conclusion**

In order to achieve corporate social responsibility, companies need to invest a lot of resources and reallocate them to achieve a balance of interests for all stakeholders. Therefore, in practice, enterprises should pay attention to the different interests of different stakeholders in benefit sharing. Specifically, different stakeholders need to devote different resources to the company to achieve their interests. The quantity and quality of these resources directly affects the value a company creates, integrating and executing processes to create enterprise value. At this time, in order to invest more resources from stakeholders, the company will allocate the corporate value for the benefit of stakeholders, thus forming corporate social responsibility. Therefore, companies need to focus on the interests of stakeholders, not just shareholders.

Enterprises should increase their innovation capabilities. It is important to know that innovation is an important channel and way to affect organizational performance through the implementation of social responsibility behaviors. In particular, the fulfillment of corporate social responsibility is no longer passive acceptance and formalism. It can solve the demands of stakeholders by achieving the purpose of innovation, and can also bring scarce and difficult to obtain intangible assets for enterprises. Corporate managers need to acknowledge the reality that corporate social responsibility is not a one-time expense with no return, but a long-term investment. Fulfilling social responsibility and connecting it with the business will continue to bring a steady stream of benefits to the business. 's earnings. Finally, companies should pay attention to the institutional environment. Overall, when the institutional environment including laws, economics and other aspects is good in the place where the enterprise is located, the driving force of the enterprise to implement social responsibility will be strengthened. At the same time, due to the friendly environment, good conditions have been nurtured for innovation, thus promoting the improvement of enterprise organizational performance. Continuous improvement and vice versa. Therefore, enterprises must choose a region with a better institutional environment. For example, companies such as Tencent and Alibaba are stationed in Shenzhen, Hangzhou and other places. This has very long-term implications for businesses.

First of all, as one of the stakeholders of enterprises, the government's efforts to promote the development of enterprises are of great significance to the social economy and the people. The continuous development of enterprises can not only create more value, but also create a lot of jobs. It can help more people improve their living standards, which is also the significance of the government.

Secondly, as the main responsible unit of the institutional environment, the government should create a good institutional environment for enterprises to ensure that enterprises can develop under a fair, just and equal market condition. In the context of my country's industrial transformation and upgrading, the government and industry associations should actively guide the production and operation of enterprises in the region and the bank to change from the status quo of attaching importance to organizational performance to corporate social responsibility, and to change the time cycle from short-term to long-term. Economic and social performance are equally

valued. Make enterprises pay more attention to the work content of social responsibility, pay more attention to the relationship with different types of stakeholders such as employees, upstream and downstream industry chains and consumers, and establish a close social network.

Finally, the government should pay attention to the regulation of enterprises. Companies in emerging industries such as the Internet usually go through three stages when fulfilling their social responsibilities: early stage, mature stage and transformation stage. In the early stages, where the main goal of a business is to proactively expand and handle customer relationships, this is an important moment to capture value and establish a core thinking stage. Service approaches, management models, and production techniques continue to change as businesses mature and expand their reach. At the mature stage, enterprises, especially platform companies (such as Alibaba and Tencent) become industry leaders, which must be restricted by relevant laws, regulations and regulations. At this stage, regulators and government agencies should establish a good relationship with enterprises. Communication, a good corporate image and good compliance can always meet regulatory requirements, which is one of the most important things for a business.

## **5.2 Recommendation**

The findings and analysis suggest that managers of manufacturing companies need to implement corporate social responsibility initiatives that address the concerns, needs and expectations of all stakeholders. Currently, there are different companies in the manufacturing industry that have been carrying out social corporate responsibility activities. However, for managers and other stakeholders affected by this article, there are different recommendations. It is recommended that all stakeholders should be involved in this process to prevent conflicts of interest. Companies need to adopt better policies to improve social and environmental responsiveness. It is recommended to promote a good balance between the concerns of stakeholders. This will ensure that CSR effectively improves the performance of manufacturing companies. These organizations should also facilitate effective communication to enhance the flow of information between stakeholders and companies. On the other hand, researchers can use the results of the current study as a basis for further research.

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