



RELATIONSHIP BETWEEN CORPORATE SOCIAL RESPONSIBILITY AND FIRMS CORPORATE EFFICIENCY IN BANGLADESH

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ABSTRACT

This study explores the connection between corporate social responsibility (CSR) and corporate financial efficiency. The notion of organizational corporate social responsibility has had a significant interest in Bangladesh over the past decade. Although international data indicate a significant correlation between the companies' CSR and financial performance. Bangladeshi companies are conscious and spend more on social welfare, environmental protection, and health & education facilities and also spend on employee well-being to retain new employees and gain confidence. This paper aims to analyze the relationship between CSR & firms' performance by using correlation analysis to find the cause and effect of the relationship. The study uses a random sampling method to select the target sample. Data of 15 Bangladeshi business firms are taken from their annual reports ranging from the year 2015 to the year 2019. Correlation and linear regression have been performed by SPSS 25 to check the impact of CSR on firms' performance. The results of the study indicate that there is a significant positive correlation between the company's CSR and financial results, and that CSR business investment will not only lead to long-term sustainable growth but also the performance of the companies. CSR is the basis for recognizing the organization's obligations to the environment where the organization carries out its operations. These CSR activities not only improve the firm's value in society and credibility of the organization, but also profitability. The study recommended that firms' should spend more on CSR activities to strengthen the society as well as their performance.

Keywords: Corporate Social Responsibility, Performance, Correlation, Environment, Bangladesh.