



# Impact of CSR on non-financial performance and the mediating role of trust and reputation: Indian manufacturing employees' perspectives

Shilpee A. Dasgupta<sup>1</sup> · Mayank Bhatia<sup>2</sup> · Upasana Singh<sup>3</sup> · Arghya Ray<sup>4</sup>

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## Abstract

This paper aims to explore the impact of corporate social responsibility (CSR) activities on non-financial performance of manufacturing firms in eastern India. It also attempts to assess the mediation effect of reputation and trust on the association of CSR and non-financial performance. Data were collected from employees in public-sector organizations in Eastern India (Jharkhand and West Bengal states) using an online structured questionnaire. Confirmatory factor analysis was used to test the proposed model's overall fit, validity, and reliability. Further analysis was conducted using structural equation modelling with AMOS. Findings suggest that the CSR activities enhance trust and reputation, which further enhance non-financial performance. Also, CSR activities directly influence non-financial performance. The mediation effect of trust and reputation was also established on the association of CSR and non-financial performance. Organizations need to focus further on their CSR activities to enhance trust and reputation within the organization and increase non-financial performance. Theoretical and practical implications are discussed. This paper adds to the body of knowledge in terms of the mediating role of reputation and trust on the association of CSR and non-financial performance.

**Keywords** Corporate social responsibility activities · Trust · Non-financial performance · Corporate reputation · Structural equation modelling · Mediation analysis · India

## 1 Introduction

“Business is not divorced from the rest of society. How companies behave affects many people, not just shareholders. A company should be a responsible member of the society in which it operates.” (World Business Council for Sustainable Development; [www.wbcsd.org/](http://www.wbcsd.org/)).

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✉ Mayank Bhatia  
mayank.bhatia@live.in

Extended author information available on the last page of the article