

Sustainability and Corporate Social Responsibility in Business Strategy: A Case of Nepalese Enterprise

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Abstract

This study examines the sustainability and corporate social responsibility in business strategy: A case of Nepalese enterprise. Stakeholder's perception is a dependent variable. The selected independent variables are CSR initiatives, investment, competition, corporate governance, training, and policy adoption. The primary source of data is used to assess the opinions of respondents regarding CSR initiatives, investment, competition, corporate governance, training, policy adoption, and stakeholder's perception. The study is based on primary data of 125 respondents. To achieve the purpose of the study, structured questionnaire is prepared. The correlation and multiple regression models are estimated to test the significance and importance of sustainability and corporate social responsibility in business strategy: A case of Nepalese enterprise.

The study showed a positive impact of CSR initiatives on stakeholder's perception. It indicates that increase in CSR initiatives leads to change in the stakeholder's perception. Similarly, the study showed a positive impact of investment on stakeholder's perception. It indicates that higher investment leads to understanding of CSR having influence over stakeholder's perception. Likewise, the study showed a positive impact of competition on stakeholder's perception. It indicates that both positive competition acts upon the influence over stakeholder's perception. Further, the study also showed a positive impact of corporate governance on stakeholder's perception. It indicates that corporate governance enhance trust and credibility, transparency and accountability, ethical conduct which leads shape a crucial role in stakeholder's perceptions. In addition, the study showed a positive impact of policy adoption on stakeholder's perception. It indicates that proper integrated policy leads to change in stakeholder's perception. Moreover, the study showed a positive impact of training on stakeholder's perception. It indicates that business enterprise's approach towards training leads to have significant influence over stakeholder's perception.

Keywords: stakeholder's perception, CSR initiatives, investment, competition, corporate governance, training, policy adoption

1. Introduction

Sustainability and corporate social responsibility (CSR) in business involves the integration of environmental, social, and economic considerations into operations and decision-making processes. This involves implementing practices that minimize negative environmental impacts, foster social equity, and ensure long-term economic viability. Corporate Social Responsibility (CSR) is the compliance of social and environmental aspects throughout the operation of the organization. Business rivalries started taking heavy toll on the quality, transparency, environment and the society in general endangering the peaceful coexistence of business and society (Chavda *et al.*, 2022). CSR refers to an organization's ability to be socially responsible towards the growth and development of the environment in which it operates (Adeneye *et al.*, 2015). The design and implementation of human resource

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management (HRM) processes and practices play an important role in the pursuit of CSR outcomes and sustainability initiatives (De Stefano *et al.*, 2017). CSR is a legal obligation for some firms, for others it is an investment for long-term profitability and for some others it is about being ethical (Arevalo *et al.*, 2011). The Wecyclers' CSR indicated that CSR activity has contributed to improved waste management in the region, while the SME has also gained international recognition because of its CSR efforts (Akinpelu *et al.*, 2019). CSR is a channel through which businesses, including SMEs contribute to societal goals (Meyer *et al.*, 2017). CSR is implemented through ideal labor, production and environmental practices, and also through good community relations (Van Woerkom *et al.*, 2017). The concept of corporate social performance can provide a coherent framework for the field of business and society by integrating the conceptual advances that have been made, and by allowing scholars to "locate" works within a broad model of business-society relationships (Wood *et al.*, 1991).

The integrated approach to CSR is essential for leveraging the potential synergies between social and business agendas (Gao *et al.*, 2013). An organization-wide change process that integrates CSR not only into the company's day-to-day activities, routines, and policies (Brooks *et al.*, 2005), but also into its strategic decision-making, core competencies (Aguinis *et al.*, 2013). Companies need efforts both at the organizational and action levels to legitimize and balance CSR with business targets (Hengst *et al.*, 2020). CSR is described more as a philanthropic model, whereby companies maximize profits after fulfilling their basic obligation of paying taxes and then donate a certain percentage to worthy causes, ultimately addressing a global challenge (Matten *et al.*, 2008). Louche *et al.* (2017) stated that CSR has gone through a step-by-step rationalization over decades, and this can be divided into two main reorganizations. These two main divisions can be viewed from an analytical concept and theoretical orientation. Chavda *et al.* (2022) stated that the businesses houses started realizing that they would have to rise over and above the profitability and take care of all those associated with their survival in the society directly or indirectly resulting into the concept of Corporate Social Responsibility. Sharif *et al.* (2017) stated that CSR as an aspect of CSP in the sense that they came up with two dimensions and defined institutional societal activities as actions that goes outside legal requirements and economic outcomes. Yoshikawa *et al.* (2014) opined that family businesses have certain properties in common: they invest their own money in their business ventures at their own risks, they control the board set out the long-term business agendas and they coordinate relationships between family members and other non-family stakeholders.

Triana (2022) stated that environmental values and awareness impact the degree to which business managers or employees implement proactive environmental policies, engage in corporate social responsibility (CSR), and make overall ethical decisions. Fatima (2023) opined that CSR continues to establish a stronger foothold in organizational strategies, understanding its implementation is needed for both academia and industry. Lindgreen *et al.* (2009) indicated that CSR as a budding field of research and has seen profound growth since they called attention to it in the special issue of Journal of Business Ethics. Dzage (2024) explained CSR as one of the ways in which organizations engage in voluntary initiatives aimed at bringing certain benefits to stakeholders and strengthening their relationships with them. Cezarino (2022) stated that CSR and social entrepreneurship practices emerge as drivers of social inclusion and welfare. In countries with considerable demands for social and economic transformations and provides a positive force for addressing society's

major challenges. Okafor *et al.* (2021) stated that maximizing shareholder wealth remains the overarching principle driving organizational strategies, but this has always conflicted with other stakeholders' interests. Because of these conflicting priorities, entrenching the principles of social responsibility has become imperative. Similarly, Huang *et al.* (2022) opined that CSR initiatives continue to evolve, pressing both scholars and practitioners to think strategically and innovatively to improve our planet, society, stakeholders, and shareholders.

According to Huang & Watson (2015), CSR still voluntary is important in many regimes from international perspective and has a great variety of frameworks, stakeholders' question and decision useful for the reports because of greenwashing policy and information overload. The idea that firms, corporation and other organizations have social responsibilities leads to the development of the concept labeled as CSR and has evoked widespread interests and concerns both in business and among academician (Vaaland *et al.*, 2008). Corporate social responsibility strategies have been changing emphasizing social sectors such as employees, environment, etc. (Aminudin *et al.*, 2013). Corporate social responsibility is related to human resource management (Bučiūnienė *et al.*, 2012). If the turnover rate is high or the retention rate is low it will increase costs to hire and develop fresh employees (Boushey *et al.*, 2012). Employee retention is a method to stay highly qualified employees in any company for a longer time (Ragupathi *et al.*, 2013). Even though several different researchers and scholars faced the title of corporate social responsibility following Freeman's approach that adopts a stakeholder perspective, including employees, however, literature still shows little guidance on the relationship between employee-oriented corporate social responsibility actions and employee retention (Hajar *et al.*, 2021).

In the context of Nepal, there is a low intensity of CSR in Nepal. Both government and employers are somehow not serious in implementing labor laws. At the company level, employees' awareness of CSR can bring a positive attitude towards the company (Adhikari, 2012). The overall status of CSR practices in Nepal is above the moderate level. The most common CSR practices in Nepal relate to corporate governance as well as customers whereas the least common CSR practices include environment and community related activities (Chapagain, 2020). The managerial understanding of CSR in Nepal is no longer limited to a single epitome of business and society relationships. Instead, the managerial understanding of CSR in Nepal is mainly characterized by the notions of corporate philanthropy, stakeholder approach, political CSR and constrained profit-making approach (Chapagain *et al.*, 2024). Corporate Social Responsibility (CSR) has been an obligatory practice among the financial institutions in Nepal since the introduction of the rule by Nepal Rastra Bank (NRB), the central bank of Nepal. This is one of the emerging strategies whereby financial institutions try to connect with the society and general public (Koirala & Thapa, 2023).

The above discussion shows that empirical evidence vary greatly across the studies on the sustainability and corporate social responsibility in business strategy. Though there are above mentioned empirical evidence in the context of other countries and in Nepal, no such findings using more recent data exist in the context of Nepal. Therefore, in order to support one view or the other, this study has been conducted.

The major objective of the study is to examine the sustainability and corporate social responsibility in business strategy: A case of Nepalese enterprise. Specifically, it examines

the relationship of CSR initiatives, investment, competition, corporate governance, policy adoption and training with stakeholder's perception.

The remainder of this study is organized as follows: section two describes the sample, data, and methodology. Section three presents the empirical results and final section draws the conclusion.

2. Methodological aspects

The study is based on the primary data which were collected from 125 respondents through questionnaire. The study employed convenience sampling method. The respondents' views were collected on CSR initiatives, investment, competition, corporate governance, policy adoption and training with stakeholder's perception. This study is based on descriptive as well as causal comparative research designs.

The model

The model used in this study assumes that stakeholder's perception depends upon sustainability and corporate social responsibility in business strategy. The dependent variable selected for the study is stakeholder's perception. Similarly, the selected independent variables are CSR initiatives, investment, competition, corporate governance, training, and policy adoption. Therefore, the model takes the following form:

Stakeholder's perception = $f(\text{CSR initiatives, investment, competition, corporate governance, training, and policy adoption})$.

More specifically,

$$SP = \beta_0 + \beta_1 \text{CSRI} + \beta_2 \text{I} + \beta_3 \text{C} + \beta_4 \text{CG} + \beta_5 \text{PA} + \beta_6 \text{T} + e$$

Where,

SP = Stakeholders Perception

CSRI = CSR Initiatives

I = Investment

C = Competition

CG = Corporate Governance

PA = Policy Adoption

T = Training

Stakeholder's perception was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly agree and 1 for strongly disagree. There are 5 items and sample items include "I believe this enterprise takes into account the social impact of its business decisions", "The Company effectively communicates its sustainability efforts to its stakeholders" and so on. The reliability of the

items was measured by computing the Cronbach's alpha ($\alpha = 0.801$).

CSR initiatives were measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly agree and 1 for strongly disagree. There are 5 items and sample items include "Our Company allocates a significant budget to sustainability projects", "Social responsibility is integrated into our company's mission and values" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.643$).

Investment was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly agree and 1 for strongly disagree. There are 5 items and sample items include "Our Company allocates a significant budget to sustainability projects", "Sustainability initiatives are considered as long-term investments for our company" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.733$).

Competition was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly agree and 1 for strongly disagree. There are 5 items and sample items include "Our Company faces pressure from competitors to improve our sustainability practices", "Competing companies' sustainability efforts influence our own strategic decisions" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.755$).

Corporate governance was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly agree and 1 for strongly disagree. There are 5 items and sample items include "Our Company has clear policies and procedures in place to ensure ethical conduct", "Employees are trained on our company's code of conduct and ethical guidelines" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.700$).

Policy adoption was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly agree and 1 for strongly disagree. There are 5 items and sample items include "Our Company has formal policies in place to guide our CSR initiatives", "Our policies on environmental sustainability are integrated into our business strategy" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.813$).

Training was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly agree and 1 for strongly disagree. There are 5 items and sample items include "New employees receive orientation on our company's commitment to CSR", "Training programs include modules on ethical business practices and corporate governance" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.790$).

CSR initiatives

Rhee & Kim (2021) examined the effect of environmental CSR initiatives on potential stakeholders' perception of non-environmentally friendly sporting events. The study revealed that CSR approach has no significant impact on potential stakeholders' perception of the

organization. Similarly, Okoi *et al.* assessed The Effect of Corporate Social Responsibility on Stakeholders' Perception of Selected Multinational Companies in Cross River and Akwa Ibom States, Nigeria. The study found that stakeholders' involvement in CSR decision making have a significant effect on stakeholders' perception of the selected multinational firms in Cross River and Akwa Ibom States. Further findings revealed that communication of CSR activities, intentions and actions have a significant effect on stakeholders' perception of selected multinational firms in Cross River and Akwa Ibom States. Also, it was found that job creation and provision of social amenities have significant effect on stakeholder's perception of multinational firms. Likewise, Tapang & Bassey *et al.* (2017) investigated the Effect of Corporate Social Responsibility Performance on Stakeholder's Perception of Telecommunication Companies in Nigeria (A Study of Mtn, Globalcom & Etisalat). The study found that behaving in a socially responsible way normally raises the cost profile of a firm, there have been evidence, although not unchallenged, that firms that do so tend to enjoy better long run corporate performance, arising mostly from the support, friendliness and peace they often experience in their operating environment. Based on it, this study develops the following hypothesis:

H₁: There is a positive relationship between CSR initiatives and shareholders perception.

Investment

Hall *et al.* (2014) investigated the impact of stakeholder heterogeneity on risk perceptions in technological innovation. The study found that Managing risk has been acknowledged as a crucial element of new technology development, especially when there are additional challenges due to an increasingly complex, heterogeneous stakeholder environment. Kim *et al.* (2012) assessed the Developing a corporate social responsibility process scale of individual stakeholder's perception. The study found that individual stakeholders evaluate CSR activities with not only just the CSR result but as a combination of the motivation behind CSR, legal and ethical component of execution and CSR outcome. Davis (2014) investigated an empirical investigation into different stakeholder groups perception of project success. The study found a gap to compare multiple stakeholder groups differing points of view to improve mutual understanding. Likewise, Ameen & Mourshed (2016) investigated the environmental, social and economic challenges for urban development: Stakeholder's perception in a developing economy. The study found that the necessity to identify environmental, social and economic challenges of urban development in different urban environments, through the investigation of stakeholder perspectives and analysis the urban indicators by adopting computer-based assessment approach for raising the concerns and proving the validity, accuracy, and reliability of the survey data. Based on it, this study develops the following hypothesis:

H₂: There is a positive relationship between investments and stakeholders' perception.

Competition

Competitiveness is a multidimensional concept that can be used at country, industry and firm levels examined by Ambastha and Momaya (2004). Kemper *et al.* (2013) examined the Competition-motivated corporate social responsibility. The study found the interplay between CSR and marketing by showing that vigorously competing firms should use CSR

as a major lever for increasing the impact of marketing on performance. Shuili *et al.* (2011) investigated the Corporate Social Responsibility and Competitive Advantage: Overcoming the Trust Barrier. The study found that challenger can reap superior business returns (i.e., more positive attitudinal and behavioral outcomes) among consumers who had participated in its CSR initiative, relative to those who were merely aware of the initiative. Brunsæl (2009) investigated the Corporate social responsibility as competitive advantage and strategic necessity: looking at firm vision and stakeholder perceptions. The study found that CSR as competitive advantage and as a strategic necessity, as well as rooted in the firm's values and beliefs shows a more detailed categorization of sources of competitive advantage and strategic necessity. Based on it, this study develops the following hypothesis:

H₃: There is a positive relationship between competition and stakeholder's perception.

Corporate governance

Corporate governance refers to the framework of rules, practices, and processes by which a company is directed and controlled. It encompasses the relationships between various stakeholders involved in the company's management and decision-making. Mason & Simmons (2014) examined the Embedding corporate social responsibility in corporate governance: Stakeholder systems approach. The study found that adoption of a stakeholder perspective identifies the limitations of current CSR approaches, recognizes the need to incorporate effectiveness and equity assessments of CSR impact, and delineates key stakeholder constituencies and the factors that determine their salience. Furthermore, Ayuso *et al.* (2014) examined the Maximizing stakeholders' interests: An empirical analysis of the stakeholder approach to corporate governance. The study found that firms that explicitly take the interests of multiple stakeholders into account in their board decisions also make the effort to engage with important primary and secondary stakeholders to understand their needs and concerns. Likewise, Salvioni & Gennari (2019) assessed the Stakeholder perspective of corporate governance and CSR committees. The study found development of a multi-stakeholder approach is crucial for creating consensus about long-term sustainable development objectives and results, and it involves significant changes in corporate governance structures and processes. Based on it, this study develops the following hypothesis:

H₄: There is a positive relationship between corporate governance and stakeholder's perception.

Policy adoption

Policy adoption refers to the integration of CSR principles into a company's formal policies and procedures. This process is essential for ensuring that CSR initiatives are not just isolated activities but are embedded into the core operational strategies and culture of the organization. Doh & Guay (2006) examined the corporate social responsibility, public policy, and NGO activism in Europe and the United States: An institutional-stakeholder perspective. The study found that different institutional structures and political legacies in the US and EU are important factors in explaining how governments, NGOs, and the broader polity determine and implement preferences regarding CSR in these two important world regions. Furthermore, Caroline *et al.* (2013) investigated on How stakeholders view stakeholders as CSR motivators. The study found that the three stakeholder groups

roughly agree that owners are the main motivators for managers to pursue CSR, followed by customers, governments, employees and NGOs, in that order. Likewise, Ying *et al.* (2021) assessed on How do stakeholder pressures affect corporate social responsibility adoption? Evidence from Chinese manufacturing enterprises in Ethiopia. The study found that overseas Chinese medium and large-scale enterprises at least have CSR awareness to meet compliance requirements. Comparatively, employees, community, and customers are the most influential and significant factors determining the enterprises' stakeholder pressure on the CSR engagement. Similarly, Bagire *et al.* (2011) examined the Contextual environment and stakeholder perception of corporate social responsibility practices in Uganda. The study found a low participation in CSR decisions by the beneficiary communities or target groups. Based on it, this study develops the following hypothesis:

H₅: There is a positive relationship between policy adoption and stakeholder's perception.

Training

Training is essential for fostering a culture of ethical behavior, social awareness, and sustainable practices within an organization. It involves educating employees and stakeholders about the principles and practices of CSR to ensure they understand their roles and responsibilities in supporting the company's CSR goals. Salehi & Azary (2009) examined the Stakeholders' perceptions of corporate social responsibility: Empirical evidences from Iran. The study found that there was a significant expectation gap between the actual level of CSR and the expected level among the participants, indicating that stakeholders perceived a lower level of CSR implementation than what was actually practiced by Iranian corporate sectors. Likewise, Iqbal *et al.* (2012) investigated the impact of perceived corporate social responsibility (CSR) on job attitude and performance of internal stakeholders. The study found that CSR has a significant effect on employees work attitudes and behaviors. Furthermore, Sharma & Tewari (2018) investigated the Engaging employee perception for effective corporate social responsibility: Role of human resource professionals. The study found that it is apt that Indian organizations are high on CSR activities and that even employees are undertaking such activities but the formal policies and procedures are not formulated by HR department to involve the employees in CSR activities. Similarly, Ismail & Shujaat (2019) examined the CSR in universities: a case study on internal stakeholder perception of university social responsibility. The study found that students, especially from Business programs and employees were most satisfied when they perceived their university providing quality education, strong industry linkages and equal opportunities to all stakeholders. Based on it, this study develops the following hypothesis:

H₆: There is a positive relationship between training and stakeholder's perception.

3. Results and discussion

Correlation analysis

On analysis of data, correlation analysis has been undertaken first and for this purpose, Kendall's Tau correlation coefficients along with mean and standard deviation has been computed and the results are presented in Table 1.

Table 1

Kendall's Tau correlation coefficients matrix

This table presents Kendall's Tau correlation coefficients between dependent variable and independent variables. The correlation coefficients are based on 125 observations. The dependent variable is SP (Stakeholder's perception). The independent variables are CSRI (CSR initiatives), I (Investment), C (Competition), CG (Corporate governance), PA (Policy adoption), and T (Training).

Variables	Mean	S.D.	SP	CSRI	I	C	CG	PA	T
SP	4.093	0.633	1						
CSRI	4.222	0.489	0.245**	1					
I	4.118	0.521	0.304**	0.366**	1				
C	3.981	0.638	0.233**	0.314**	0.341**	1			
CG	4.139	0.550	0.254**	0.403**	0.381**	0.350**	1		
PA	4.107	0.625	0.324**	0.355**	0.430**	0.278**	0.386**	1	
T	4.133	0.652	0.329**	0.266**	0.333**	0.297**	0.406**	0.358**	1

Notes: The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent level respectively.

Table 1 shows that CSR initiatives is positively correlated to stakeholder's perception. It indicates that increase in CSR initiatives leads to change in the stakeholder's perception. Similarly, investment is positively correlated to stakeholder's perception. It implies that higher investment leads to understanding of CSR having influence over stakeholder's perception. Likewise, the study shows that competition is positively correlated to stakeholder's perception. It indicates that both positive competition acts upon the influence over stakeholder's perception. Further, corporate governance is positively correlated to stakeholder's perception. It indicates that corporate governance enhance trust and credibility, transparency and accountability, ethical conduct which leads shape a crucial role in stakeholder's perceptions. In addition, the study shows that policy adoption is positively correlated to stakeholder's perception. It indicates that proper integrated policy leads to change in stakeholder's perception. Moreover, training is positively correlated to stakeholder's perception. It indicates that business enterprise's approach towards training leads to have significant influence over stakeholder's perception.

Regression analysis

Having indicated the Kendall's Tau correlation coefficients, the regression analysis has been carried out and the results are presented in Table 2. More specifically, it shows the regression results of CSR initiatives, investment, competition, corporate governance, policy adoption and training on stakeholder's perception.

Table 2

Estimated regression results of CSR initiatives, investment, competition, corporate governance, policy adoption, training on stakeholder's perception

The results are based on 125 observations using linear regression model. The model is $SP = \beta_0 + \beta_1 CSRI + \beta_2 I + \beta_3 C + \beta_4 CG + \beta_5 PA + \beta_6 T + e$ where the dependent variable is SP (Stakeholder's Perception). The independent variables are CSRI (CSR Initiatives), I (Investment), C (Competition), CG (Corporate Governance), PA (Policy Adoption), and T (Training).

Model	Intercept	Regression coefficients of						Adj. R _{bar} ²	SEE	F-value
		CSRI	I	C	CG	PA	T			
1	1.474 (3.383)**	0.620 (6.051)**						36.618	0.558	0.223
2	1.201 (3.239)**		0.702 (7.857)**					0.329	0.519	61.734
3	1.201 (3.239)**			0.352 (4.212)**				0.119	0.594	17.743
4	2.498 (6.112)**				0.385 (3.937)**			0.105	0.599	15.502
5	1.865 (5.819)**					0.542 (7.029)**		0.281	0.537	49.409
6	1.361 (5.070)**						0.661 (10.303)**	0.459	0.466	106.142
7	0.825 (1.948)	0.224 (1.787)	0.563 (4.785)**					0.341	0.514	33.014
8	0.825 (1.948)	0.218 (1.728)	0.531 (4.148)**	0.055 (0.646)				0.337	0.515	22.043
9	0.825 (1.871)	0.271 (1.953)	0.547 (4.233)**	0.081 (0.897)	0.109 (0.924)			0.337	0.516	16.726
10	0.817 (1.916)	0.240 (1.788)	0.419 (3.174)**	0.033 (0.373)	0.215 (1.800)	0.315 (3.036)**		0.379	0.499	16.140
11	0.776 (2.026)*	0.162 (1.333)	0.206 (1.646)	0.039 (0.485)	0.251 (2.339)*	0.167 (1.720)	0.481 (5.442)**	0.499	0.448	21.621

Notes:

- i. Figures in parenthesis are t-values.
- ii. The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent level respectively.
- iii. Stakeholder's perception is dependent variable.

The regression results show that the beta coefficients for CSR Initiatives are positive with Stakeholder's Perception. It indicates that CSR Initiatives has a positive impact on Stakeholder's Perception. This finding is consistent with the findings of Dilling (2011). Similarly, the beta coefficients for Investment are positive with Stakeholder's Perception. It indicates that Investment has a positive impact on Stakeholder's Perception. This finding is consistent with the findings of Komendantova *et al.* (2016). In addition, the beta coefficients for Competition are positive with Stakeholder's Perception. It indicates that Competition has a positive impact on Stakeholder's Perception. This finding is consistent with the findings of Brunsael (2009). Further, the beta coefficients for Corporate Governance are positive with Stakeholder's Perception. It indicates that trust in insurer has a positive impact on Stakeholder's Perception. This finding is consistent with the findings of Khan *et al.* (2013). Moreover, the beta coefficients for Policy Adoption are positive with Stakeholder's Perception. It indicates that Policy Adoption has a positive impact on Stakeholder's Perception. This finding is consistent with the findings of Bendoraitienė & Darškuvienė (2019). Moreover, the beta coefficients for Training are positive with Stakeholder's Perception. It indicates that Training has a positive impact on Stakeholder's Perception. This finding is consistent with the findings of Setó-Pamies *et al.* (2011).

4. Summary and conclusion

Sustainability and corporate social responsibility (CSR) in business involves the integration of environmental, social, and economic considerations into operations and decision-making processes. This involves implementing practices that minimize negative environmental impacts, foster social equity, and ensure long-term economic viability.

Corporate Social Responsibility (CSR) is the compliance of social and environmental aspects throughout the operation of the organization.

This study attempts to examine the sustainability and corporate social responsibility in business strategy: A case of Nepalese enterprise. The study is based on primary data of 125 respondents.

The major conclusion of the study is that CSR initiative, investment, competition, corporate governance, training, and policy adoption have positive impact on Stakeholder's Perception. It indicates that Nepalese enterprises that strategically integrate CSR and sustainability into their business operations are likely to benefit from improved stakeholder perceptions, which builds stronger relationships, enhanced brand reputation, and potentially better financial performance. The study also concludes that investment is the most significant factor followed by training that determines the Sustainability and corporate social responsibility in business strategy: A case of Nepalese enterprise.

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