

Print ISSN: 2288-4637 / Online ISSN 2288-4645
doi:10.13106/jafeb.2021.vol8.no8.0075

The Relationship Between Corporate Social Responsibility and Financial Performance: Empirical Evidence from Vietnam

Cuong NGUYEN¹, Lan NGUYEN²

Received: April 10, 2021 Revised: June 26, 2021 Accepted: July 04, 2021

Abstract

For many years, many academics and practitioners have paid attention to the increasing popularity of corporate social responsibility (CSR) and its relationship with financial performance. They have shown that creating social and sustainable responsibility can strengthen the organization's financial performance as the organization can achieve its current needs without compromising the ability to meet future needs. While much theoretical and empirical evidence has been provided to support this argument in developed countries, this topic is under-researched, and the outcomes are controversial in developing countries. Therefore, this paper aims to examine and investigate the relationship between corporate social responsibility and financial performance in Vietnamese organizations. The dataset includes 27 firms listed on the stock market exchanges in Ho Chi Minh city (HOSE) and Hanoi (HNX) from 2015 to 2019. The disclosure approach is adopted to measure corporate social activities; four areas were developed: environment, community, employee and product, customer, and supplier practices. Return on average equity (ROE) and return on average assets (ROA) are two proxies for measuring financial performance. The research results confirm the existing literature with a strong correlation between employees and returns on average assets.

Keywords: Corporate Social Responsibility, Financial Performance, Vietnamese Market

JEL Classification Code: M14, N25, C23

1. Introduction

In recent years, with the increasing popularity of Corporate Social Responsibility (CSR), many academics and practitioners have been paying their attention to this topic, making it even more prevalent (Chen et al., 2020). Corporate social responsibility encompasses the economic, legal, ethical, and discretionary (philanthropic) expectations that society has of organizations at a given point in time (Carroll, 1979). CSR is a self-regulating business model that helps a company be socially accountable—to itself, its stakeholders, and the public. By practicing CSR, companies can be conscious of the kind of impact they are having

on all aspects of society, including economic, social, and environmental. (Blowfield & Murray, 2011, Amacha & Dastane, 2017). CSR is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental, and social imperatives (“Triple-Bottom-Line- Approach”), while at the same time addressing the expectations of shareholders and stakeholders (Backman, 1975). Steiner (1971) refers to CSR as economic, legal, and voluntary activities. Friedman (1962) – a foremost thinker on CSR in the 1960s – debates with a profit-oriented statement disputed by many other authors. He supposes in a free society, the corporation should focus only on making as much money for shareholders as possible and social aspects were in the government's purview.

In the Vietnamese context, CSR is a new approach that has been introduced to Vietnam since 2002 (Hamm, 2012). This market has increased CSR awareness in recent years, realizing the need to balance economic progress, social improvement, and environmental sustainability. The nature of CSR in Vietnam, including CSR conceptualizations (CSR Thinking) and the

¹First Author. Faculty of Business and Law, the University of the West of England - UWE Bristol, Bristol, United Kingdom.
Email: mason.nguk@gmail.com

²Corresponding Author. Faculty of Accounting and Auditing, Van Lang University, Ho Chi Minh City, Vietnam [Postal Address: 45 Nguyen Khac Nhu street, Co Giang ward, District 1, Ho Chi Minh City, 700000, Vietnam] Email: lan.ntn@vlu.edu.vn

implementation of CSR (CSR doing), is influenced by the individual level, organizational context, and external social context (Figure 1). All three factors are associated with tradition, modernity, and governance.

However, most Vietnamese companies misunderstand the nature and characteristics of CSR. They consider CSR with the meaning of philanthropy rather than a more comprehensive concept of CSR and its elements. Nearly 40% of the companies were not aware of the CSR concept, while less than 20% understood CSR (UNIDO, 2010). There are multiple social problems in Vietnam like terrorism, industrial crises, lack of health and educational infrastructure, and political and economic instability. For example, Coca-Cola avoided taxes in 2012 (Iyer, 2013); Formosa caused environmental pollution in 2016 (Ortmann, 2017); Nike paid low wages for long working hours and was involved in other abusive practices in 1997 (Greenhouse, 1997); and VN Pharma imported counterfeit medicine in 2017 (Tuoi Tre News, 2017). Therefore, the role of CSR should be acknowledged and further investigated.

Despite the rising concern for firms' CSR practices, there have been few studies on CSR and financial performance in Vietnam. This research area had not been fully developed because of the differences in CSR disclosure practices between developed and developing economies. Therefore, this paper aims to investigate the nature of CSR and its practices in Vietnam. Then, we will test the relationship between CSR and the financial performance of some Vietnamese firms listed on the stock exchange market.

2. Literature Review

Many academics have been interested in the relationship between CSR and Corporate Financial Performance (CFP). However, Dodd (1932) claimed that this linkage had been a

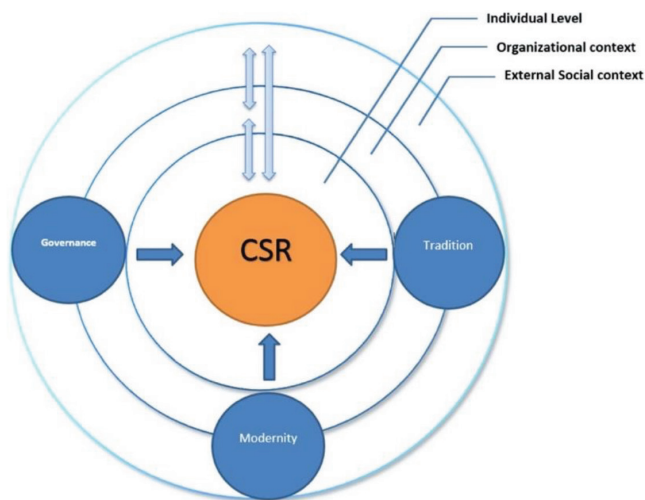


Figure 1: Conceptual Framework in Vietnam

controversial topic for more than half a century. The corporate social responsibility – financial performance relationship started to be analyzed intensely in the 1970s (Aldag, 1978).

Margolis and Walsh (2003) found that of 127 published articles during the year from 1972 to 2002, 55% (70 studies) reported having a positive relationship. These results suggest a significant value addition in firm performance by improving CSR performance; therefore, businesses should align the social goal with the business goal and consider CSR a strategic tool to promote their economic objectives (Ferrarini & Hinojales, 2019, HUSNAINI & BASUKI, 2020). CSR is considered a firm's shield against negative information harming the organizational reputation, and therefore it protects organizational financial performance. However, some empirical evidence showed a negative relationship between CSR and CFP. Brammer et al. (2006) showed that the implementation of corporate social activities increases costs and therefore reduces organizational profitability.

In the context of emerging economies, Kao et al. (2018) showed that CSR negatively influences non-SOEs (state-owned enterprises) but is neutral with SOEs in China. In Malaysia, Arshad et al. (2012) showed a positive association between corporate social activities and financial performance for 17 Islamic banks in Malaysia from 2008 to 2010. In Vietnam, the study by Bich (2015) emphasized that financial performance is associated with CSR disclosure. Particularly, while employee disclosure is negatively correlated with firm value, environmental information disclosure positively influences firm value. Ngoc (2018) applied content analysis on annual reports from 31 commercial banks in Vietnam and found a negative linkage between CSR disclosure and financial performance.

While increasing attention to CSR has been fully recorded in recent years, most empirical studies about this topic focused on developed countries. There is no consolidated measurement standard for CSR and disclosure requirements over the world, especially in developing countries. This creates difficulties for researchers to diverge CSR theory and practice in the context of, particularly, cross-country analyses. Furthermore, existing studies in Vietnam show an inconsistency in the relationship between CSR disclosure and financial performance. Thus, this paper will investigate the latest data to re-examine the CSR practices in Vietnamese firms.

H1: Corporate social responsibility is positively correlated with the financial performance.

3. Research Methodology

3.1. Data Collection and Analysis

Secondary data will be used in this paper. We select a sample of 27 companies listed on the Vietnamese

stock exchange from 2015 to 2019. These companies are listed in Vietnam's two largest stock exchanges, namely Ho Chi Minh Stock Exchange (HOSE) and Hanoi Stock Exchange (HNX). There are 119 observations over five years. The details of the company list are shown in Appendix 1.

All data was collected from the annual reports of these companies. We use annual reports because annual reports can be compared with previous studies. These reports are carefully prepared by the company then reviewed by independent auditors, ensuring the reliability and validity of the data collected. Also, is the most comprehensive means of communication between a company and its stakeholders, representing information about organizational activities over the year.

Then we calculate the financial performance by evaluating the return on assets average (ROAA) and return on equity and average (ROEA) of these 119 observations. This is because ROAA and ROEA seem to be the best way to measure financial company performance (Hagel et al., 2010). After calculating these ratios, we compare these ratios with an independent source (vietstock.vn) – one of the highly credible sources for Vietnamese investors. This step aims to ensure the accuracy of the data.

Next, we try to measure CSR by using a disclosure approach. In Vietnam, the implementation of a social index/rating approach is impossible because there is no social rating agency that rates the corporate social activities of Vietnamese firms. Krippendorff (1980) also claims that CSR disclosure plays an important role in social ratings or reputational indices. The single-dimension-based measure also shows some limitations in the Vietnamese context because it cannot portray the breadth of corporate social activities. According to Carroll (1979), the structure of corporate social activities captures multidimensional social aspects, so using a single-dimension-based measure will create a lack of validity of output. In contrast, the disclosure approach that uses a content analysis of annual reports is better for Vietnam as it accounts for the complexity of CSR.

Following the disclosure approach, we employ the “frequency of disclosure” as the unit of analysis to measure the CSR index. NVivo is applied to measure the level of CSR information disclosed by Vietnamese listed firms. Using Nvivo in measuring CSR will enhance the accuracy of CSR disclosure. This paper then classifies the CSR disclosure index into four areas: environment, community welfare, employees, and products, customers, and supplier practices (Bich et al., 2015; Ngoc, 2018). The description of dependent variables, independent variables, and moderating variables are briefly summarized in Table 1.

3.2. Research Models

To test the hypotheses constructed above, the following models were constructed with the dependent variables, independent variables, and control variables described in Table 1.

$$ROEA_{it} = \alpha + \beta_1 ENV_{it} + \beta_2 COM_{it} + \beta_3 EMW_{it} + \beta_4 PCS_{it} + \beta_6 SIZ_{it} + \varepsilon_{it}$$

$$ROAA_{it} = \alpha + \beta_1 ENV_{it} + \beta_2 COM_{it} + \beta_3 EMW_{it} + \beta_4 PCS_{it} + \beta_6 SIZ_{it} + \varepsilon_{it}$$

Where $DEP_{it} = ROEA_{it}$ stands for the return on equity proxy, and $DEP_{it} = ROAA_{it}$ stands for the return on assets proxy. ENV, COM, EMW, and PAS are the independent variables, while SIZ is the moderating variable. μ_{it} is an error term for firm i and year t .

4. Results

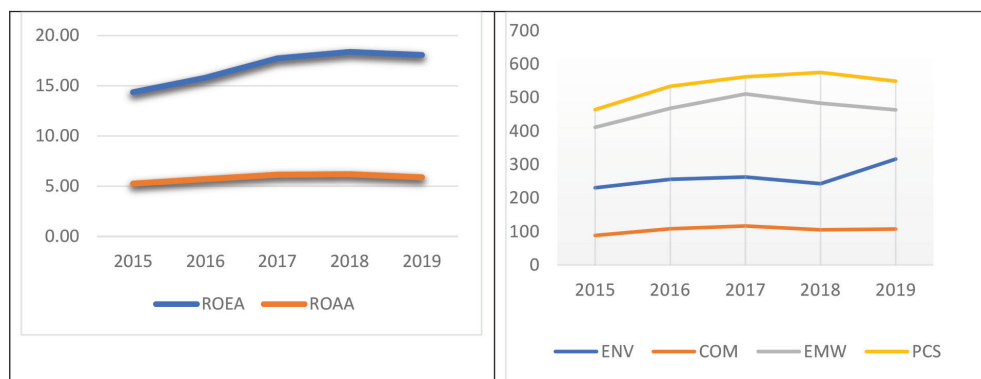
4.1. Descriptive Statistics

In this chapter, a series of analyses, including descriptive statistics and multiple regression, were used. Data processing techniques in this paper use computerized calculation Stata version 16.1. A summary statistic for the data from listed companies in HOSE and HNX (2015 to 2019) show positive earning from investments in assets and equity. Moreover, products, customers, and supplier practices among the independent variables show the highest score (540.65) while the contribution to the community shows the lowest score (105.9). There is also a large gap between the entire sample in the whole period, representing the unequal values in the CSR disclosure. Moreover, the mean of company size (of 119 selected observations) is 7.66 and its standard deviation is about 0.81. This means that all companies in this study have similar economic scales, reinforcing the efficiency and the reliability of this research.

Figure 2 compares the profitability and CSR disclosure activities of 27 listed companies in Vietnam from 2015 to 2019. The results show that the growth of ROEA is higher than ROAA for the entire sample. Furthermore, the figure also shows the mean value of CSR, suggesting that CSR activities increased slightly. It means that Vietnamese companies were disclosing more CSR activities in the annual report. This growth also shows an increasing awareness of CSR. Environment disclosure increased significantly (from 230 in 2015 to 316 in 2019), showing the focus of companies on environmental activities.

Table 1: Lists of Dependent and Independent Variables

Variables	Variable Name	Variable Abbreviation	Variable Description
Dependent Variables	ROEA	Returns on equity average	Net profit divided by total average shareholder equity
	ROAA	Returns on assets average	Net profit divided by total average assets of the company
Independence Variables	ENV	Environment	Afforestation, biodiversity conservation, emission control, clean development, climate change, cotton waste, eco-friendly, eco-friendly, standards, emission, energy, environment, environmental, environmentally, fossil, fuel, garbage house, gas, green, hazardous, industrial, natural, package, collection, pollution, power, product collection, protect, recycle, renewable, save, scraps, sustainability, trash, waste, wastewater, water consumption, water restoration, wildlife consumption, environmental handbook
	COM	Community	Blood, building houses, building schools, charitable, charity, children, community, constructing houses, contest, disabled, disaster, donate, donation, ethical standard, facilities for schools, families, flood, Hoang Sa, households, humanitarian, labor union, living standard, local club, mid-autumn festivals, minorities, mutual benefits, national program, national sea, patients, poor, poverty, public concern, public opinion, remote, scholarship, schoolchildren, social, society, spiritual value, sponsor, teaching equipment, Tet, Truong Sa, urban, victim, young, Youth Union
	EMW	Employee	Age, allowance, bonus, career-development, commission, compensation, culture, employee, female, food safety, friendly, health care services, health check, human development, human resource, insurance, internal communications, kitchen hygiene, labor agreement, leadership, learning and development, management, medical, number of employees, performance assessment, policy for employees, protective equipment, recruitment, rest time, retirement, salary, social network, staff engagement programs, stock option schemes, ESOP, team building, Trade union, training, women, work environment, workforce, working time
	PCS	Products, customers, and Supplier Practices	Audit committee, business practices, complaint, consumers, customers, ethics, feedback, internal control, procedures for procurement, products, quality, R&D, risk, safe products, safety, service, supervisor, supplier, supply chain, partners
Moderating Variables	SIZ	Firm size	The scale or volume of operation turned out by a single firm

**Figure 2:** Mean Values of Profitability and CSR

Also, more information related to employees such as employee benefits, and learning and development of employees was provided in the annual report.

4.2. Multivariate Analysis

This section discusses the regression results of the impact of CSR on financial performance for 27 listed companies in HOSE and HNX. Multiple regression analysis was carried out for testing causality in research variables to determine whether there was a relationship between four dimensions of CSR and financial performance. Independent variables include environment activities (ENV), communities (COM), activities related to employees (EMV), and information related to products, customers, and supplier practices (PCS), while firm size (SIZ) is the moderating variable. Two proxies of financial performance consisting of return on average equity (ROEA) and return on average asset (ROAA) are our dependent variables.

The fixed-effects model and random-effect model will be applied to ROEA first. The fitted models to predict ROEA value are shown in Table 2. According to the result, ROEA value is not determined by CSR and firm size from 2015 to 2019. Moreover, the F value of

these models is under 10%, which shows the reliable prediction of CSR and firm size to ROEA. The R -square values for this regression are 3.5% and 18.55% for fixed-effect and random-effect respectively. The small values of R -square also show that the proportion of ROEA variation (financial performance) is not explained in the regression models.

Second, the fixed fixed-effects model and random-effect model will be applied to ROAA. The fitted models to predict ROAA value are shown in Table 3. The result reveals that ROAA is positively determined by the employee (EMW) activities in both the fixed-effect and random-effect models as the p -value is less than 0.1. Based on the equation, for one unit increase in EMW, the ROAA is expected to go up by 0.007 times in the fixed-effect model and 0.006 times in the random-effect model. The F value is also under 10%, which shows the reliable prediction of CSR and firm size to ROAA. The higher values of R -square show that the proportion of ROAA variation is explained in the regression models.

Then, we use the Hausman test to differentiate between the fixed-effect model and the random-effect model. The Hausman test shows that the p -value of cross-section random for ROAA is less than 0.05. Hence, the result of the fixed-effect model is preferred to the random-effect model.

Table 2: Fixed-Effects Regression to ROEA

Fixed-Effects (Within) Regression				Number of obs = 119		
Group Variable: STT				Number of groups = 27		
R^2 :				Obs per group:		
Within = 0.1026				Min = 2		
Between = 0.0560				Avg = 4.4		
Overall = 0.0349				Max = 5		
corr (u_i , X_b) = -0.6691				$F(5.87) = 1.99$		
				Prob > $F = 0.0882$		
ROEA	Coef.	Std. Err.	t	$P > t $	[95% Conf. Interval]	
ENV	-0.006	0.005	-1.21	0.231	-0.017	0.004
COM	-0.01	0.018	-0.59	0.555	-0.046	0.025
EMW	0.01	0.008	1.33	0.186	-0.005	0.025
PAS	0.005	0.007	0.67	0.504	-0.009	0.018
SIZ	5.797	5.26	1.1	0.273	-4.65	16.24
_cons	-32.1	39.6	-0.81	0.42	-110.9	46.64
sigma_u	12.131					
sigma_e	4.85					
ρ	0.862				(Fraction of Variance due to u_i)	
F test that all $u_i = 0$: $F(26, 87) = 11.35$				Prob > $F = 0000$		

Table 3: Fixed-Effects Regression to ROAA

Fixed-Effects (Within) Regression				Number of obs = 119		
Group Variable: STT				Number of groups = 27		
R^2 :				Obs per group:		
Within = 0.1308				Min = 2		
Between = 0.1580				Avg = 4.4		
Overall = 0.1096				Max = 5		
corr (u_i , X_b) = -0.5459				$F(5,87) = 2.62$		
				Prob > $F = 0.0296$		
ROAA	Coef.	Std. Err.	t	$P > t $	[95% Conf. Interval]	
ENV	-0.002	0.002	-0.9	0.371	-0.006	0.002
COM	-0.001	0.007	-0.17	0.864	-0.015	0.013
EMW	0.007	0.003	2.51	0.014	0.002	0.013
PAS	-0.001	0.003	-0.46	0.647	-0.007	0.004
SIZ	1.088	2.065	0.53	0.6	-3.017	5.192
_cons	-4.559	15.566	-0.29	0.77	-35.497	26.38
sigma_u	7.308					
sigma_e	1.906					
ρ	0.936				(Fraction of Variance due to u_i)	
F test that all $u_i=0$: $F(26, 87) = 19.74$				Prob > $F = 0.0000$		

The fixed-effect model in ROAA and CSR will be used in analyzing this study's panel data. Based on the regression, there is a positive relationship between CSR and financial performance. The ROAA is determined by activities related to employees, that is, for one unit increase in EMW, the ROAA is expected to go up by 0.007 times. The equation is 95% sure that the interval from 0.002 to 0.013 covers this positive relationship. However, the R-square value for this regression at 15.8% also shows the low-level correlation in this regression.

5. Conclusion and Limitations

With the research gap in CSR literature in developing countries, this study aims to contribute to the existing literature by further investigating the CSR practices in Vietnam and examining the relationship between CSR disclosure and the financial performance with empirical evidence collected from annual reports of 27 listed Vietnamese firms over the 2015-2019 period.

In this research, the differences in CSR concepts and practices between Vietnam and developed countries are exposed clearly for several reasons. The statistical evidence displaying the disclosure of CSR was increasing over the

2015-2019 period. This increase shows that Vietnam firms have raised their awareness of CSR and have paid more attention to this topic. Especially actions related to the environment accounted for the largest growth, followed by the information related to employees. Based on the regression analysis, the result suggests a positive relationship between CSR and financial performance in the Vietnamese market. Accordingly, CSR significantly affects to return on average assets (ROAA). Among four areas of CSR disclosure, there is only information related to employees that correlate positively with financial performance.

In contrast with other developing countries, CSR disclosure is not compulsory in Vietnam. Though organizations need to pay the costs related to CSR, the results of this paper reveal substantial benefits for organizations committed to CSR activities. From investors' perspective, they can have a broader view of the organizational performance through CSR reports. In particular, firms focusing on CSR improvement while running their businesses could have a better interest rate on their loan because of low risk and high reputation. From employers' perspectives, this paper also displays the significant relationship between activities related to employees and organizational profitability. Hence,

corporate managers should identify employee activities necessitating improvements. Although the cost of CSR is high, firms need to spend a certain amount of time and effort to improve CSR disclosure. From policymaker's perspective, they should motivate firms to apply CSR initiatives to promote the overall development of CSR. The government should develop a labor code and reform the union law, while environmental protection and consumer rights also need improvement. These actions ensure the standard of CSR's nature in Vietnam and create a fair, competitive environment for businesses.

Although this research contributed significantly to the current literature in terms of CSR practices in developing countries, it contains some methodological limitations. The first limitation is the lack of publicly available information related to CSR as CSR disclosure is not compulsory in Vietnam. Only 27 Vietnamese companies are analyzed over five years with a total of 119 observations, consequently, the findings may not have high accuracy beyond the data set. Second, the shortage of annual reports in English is a barrier to measuring the CSR index. Using Nvivo to test the "frequency of disclosure" also limits the number of firms; Nvivo requires pdf or word format for the input source, while some Vietnamese firms published annual reports in photo format. Moreover, Vietnam is an emerging market and firms started publishing annual reports only from 2005. As a result, there is no comprehensive structure of annual reports among different firms, resulting in difficulties in comparing CSR activities among these firms. Last, CSR disclosure practice is not popular in Vietnamese companies because there is no mandatory requirement for CSR disclosure. Therefore, the documentation of this approach was limited.

References

- Aldag, R. (1978). Empirical studies of corporate social performance and policy: A survey of problems and results. In: Preston L. E. (Ed.), *Research in corporate social performance and policy* (pp. 165–199). Greenwich, Connecticut: JAI Press.
- Amacha, E., & Dastane, O. (2017). Sustainability practices as determinants of financial performance: A case of Malaysian corporations. *The Journal of Asian Finance, Economics and Business*, 4(2), 55–68.
- Arshad, R., Othman, S., & Othman, R. (2012). Islamic corporate social responsibility, corporate reputation, and performance. *World Academy of Science, Engineering and Technology*, 64(4), 1070–1074. <https://publications.waset.org/10239/pdf>
- Backman, J. (1975). *Social responsibility and accountability*. New York: New York University Press.
- Bich, T. N. N. (2015). Association between corporate social responsibility disclosures and firm value: Empirical evidence from Vietnam. *International Journal of Accounting and Financial Reporting*, 5, 212. <https://doi.org/10.5296/ijafr.v5i1.7394>
- Blowfield, M., & Murray, A. (2011). *Corporate responsibility* (2nd ed.). Oxford, UK: Oxford University Press.
- Brammer, S., Brook, C., & Pavelin, S. (2006). Corporate social performance and stock returns: UK evidence from disaggregate measures. *Financial Management*, 35(3), 97–116. <https://doi.org/10.2139/ssrn.739587>
- Carroll, A. B. (1979). A three-dimensional conceptual model of corporate performance. *The Academy of Management Review*, 4(4), 497–505. <https://doi.org/10.2307/257850>
- Chen, X., Ma, Z., Shi, J., Tu, B., & Xu, S. (2020). Corporate social responsibility and unsecured debt: evidence from China. *The Journal of Asian Finance, Economics, and Business*, 7(11), 1–11. <https://doi.org/10.13106/jafeb.2020.vol7.no11.001>
- Dodd, E. M. (1932). For whom are corporate managers trustees? *Harvard Law Review*, 45(7), 1145–1163. <https://doi.org/10.2307/1331697>
- Friedman, M. (1962). *Capitalism and freedom*. Chicago, IL: University of Chicago Press.
- Ferrarini, B., & Hinojales, M. (2019). State-Owned Enterprises and Debt Sustainability Analysis: The Case of the People's Republic of China. *The Journal of Asian Finance, Economics, and Business*, 6(1), 91–105.
- Greenhouse, S. (1997). *Nike shoe plant in Vietnam is called unsafe for workers*. <https://www.nytimes.com/1997/11/08/business/nike-shoe-plant-in-vietnam-is-called-unsafe-for-workers.html>
- Hagel, J., Brown, J. S., & Davison, L. (2010). *The best way to measure company performance*. <https://hbr.org/2010/03/the-best-way-to-measure-compan.html>
- Hamm, B. (2012). *Corporate social responsibility in Vietnam integration or mere adaptation?* Pacific News. http://www.pacific-geographies.org/wp-content/uploads/sites/2/2017/06/PN38_BH.pdf
- HUSNAINI, W., & BASUKI, B. (2020). ASEAN corporate governance scorecard: sustainability reporting and firm value. *The Journal of Asian Finance, Economics, and Business*, 7(11), 315–326.
- Iyer, B. (2013). *Why consumers in Vietnam are calling for a ban on Coke*. <https://www.campaignasia.com/article/why-consumers-in-vietnam-are-calling-for-a-ban-on-coke/344805>
- Kao, E. H., Yeh, C. C., Wang, L. H., & Fung, H. G. (2018). The relationship between CSR and performance: Evidence in China. *Pacific-Basin Finance Journal*, 51, 155–170. <https://doi.org/10.1016/J.PACFIN.2018.04.006>
- Krippendorff, K. (1980). *Content analysis: An introduction to its methodology*. London, UK: Sage Publications.
- Margolis, J. D., & Walsh, J. P. (2003). Misery loves companies: Rethinking social initiatives by business. *Administrative Science Quarterly*, 48(2), 268–305. <https://doi.org/10.2307/3556659>

- Ngoc, N. B. (2018). The effect of corporate social responsibility disclosure on financial performance: Evidence from credit institutions in Vietnam. *Asian Social Science*, 14(4), 109. <https://doi.org/10.5539/ass.v14n4p109>
- Ortmann, S. (2017). *Environmental governance in Vietnam: Institutional reforms and failures*. Cham: Palgrave Macmillan.
- Steiner, G. A. (1971). *Business and society*. New York: Random House.
- Tuoi Tre News. (2017). *Ex-director of Vietnamese pharmaceutical firm stands trial for importing fake medicine*. <https://tuoitrenews.vn/news/society/20170821/exdirector-of-vietnamese-pharmaceutical-firm-stands-trial-for-importing-fake-medicine/41060.html>
- UNIDO. (2010). *Initial investigation report on awareness, understanding, and implementation of social responsibility of small and medium enterprises in Vietnam*. <http://csr-vietnam.org/en/Downloads.html>

Appendix

Appendix 1: Company Lists

No	Company Name	Industry
1	Asia Commercial Bank	Finance and Insurance/Credit Intermediation and Related Activities/ Depository Credit Intermediation
2	Vietnam Bank for Agriculture and Rural Development	Finance and Insurance/Credit Intermediation and Related Activities/ Depository Credit Intermediation
3	Binh Minh Plastics Joint Stock Company	Manufacturing/Plastics and Rubber/Plastics Product Manufacturing
4	The Southern Rubber Industry JSC	Manufacturing/Plastics and Rubber/Rubber Product Manufacturing
5	Coteccons Construction Joint Stock Company	Construction and Real Estate/Construction/Residential Building Construction
6	Petrovietnam Fertilizer & Chemicals Corporation	Manufacturing/Chemical - Pharmaceutical/Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing
7	FPT Corporation	Information and Technology/Publishing Industries (except Internet)/ Software Publishers
8	Ho Chi Minh City Development Joint Stock Commercial Bank	Finance and Insurance/Credit Intermediation and Related Activities/ Depository Credit Intermediation
9	Khang Dien House Trading and Investment JSC	Construction and Real Estate/Real Estate Development/Real Estate Development
10	Masan Group Corporation	Manufacturing/Food Manufacturing/Other Food Manufacturing
11	Military Commercial Joint Stock Bank	Finance and Insurance/Credit Intermediation and Related Activities/ Depository Credit Intermediation
12	No Va Land Investment Group Corporation	Construction and Real Estate/Real Estate Development/Real Estate Development
13	PetroVietnam Gas Joint Stock Corporation	Mining, Quarrying, and Oil and Gas Extraction/Oil and Gas Extraction/ Oil and Gas Extraction
14	Phat Dat Real Estate Development Joint Stock Company	Utilities/Natural Gas Distribution/Natural Gas Distribution
15	Refrigeration Electrical Engineering Corporation	Construction and Real Estate/Specialty Trade Contractors/Building Equipment Contractors
16	Sai Gon Thuong Tin Commercial Joint Stock Bank	Finance and Insurance/Credit Intermediation and Related Activities/ Depository Credit Intermediation
17	Southeast Asia Commercial Joint Stock Bank	Finance and Insurance/Credit Intermediation and Related Activities/ Depository Credit Intermediation
18	Vietnam Technological and Commercial Joint Stock Bank	Finance and Insurance/Credit Intermediation and Related Activities/ Depository Credit Intermediation

19	TNG Investment and Trading JSC	Manufacturing/Apparel Manufacturing/Cut and Sew Apparel Manufacturing
20	Tien Phong Commercial Joint Stock Bank	Finance and Insurance/Credit Intermediation and Related Activities/Depository Credit Intermediation
21	Vietnam International Commercial Joint Stock Bank	Finance and Insurance/Credit Intermediation and Related Activities/Depository Credit Intermediation
22	Vicostone JSC	Manufacturing/Nonmetallic Mineral Product/Clay Product and Refractory Manufacturing
23	Viet Capital Securities Joint Stock Company	Finance and Insurance/Securities, Commodity Contracts, and Other Financial Investments and Related Activities/Securities and Commodity Contracts Intermediation and Brokerage
24	Bank for Foreign Trade of Vietnam	Finance and Insurance/Credit Intermediation and Related Activities/Depository Credit Intermediation
25	Vingroup Joint Stock Company	Construction and Real Estate/Real Estate Development/Real Estate Development
26	VNDirect Securities Corporation	Finance and Insurance/Securities, Commodity Contracts, and Other Financial Investments and Related Activities/Securities and Commodity Contracts Intermediation and Brokerage
27	Vietnam Prosperity Joint Stock Commercial Bank	Finance and Insurance/Credit Intermediation and Related Activities/Depository Credit Intermediation