

CORPORATE CITIZENSHIP OF THE COMMERCIAL SECTOR: REPRESENTATIONS OF RUSSIAN STUDENTS

Aleksandr V. Neshataev
Ural Federal University, Yekaterinburg, Russia
a.v.neshataev@urfu.ru
ORCID: 0000-0002-0145-7841

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Abstract: *In the modern world, commercial organizations are increasingly involved in addressing social issues within society. Recently, the topic of business engagement in solving social problems has been developing in Russia, with a focus on demographic policy. The aim of our research is to analyze university students' attitudes toward business as a subject of social problem-solving. We conducted group interviews with students from the largest regional university in Russia, during which the following aspects were discussed: attitudes toward the commercial sector, assessment of business contributions to national development, selection of the most "good" companies, perceptions of public authorities' attitudes toward business, and visions of the future with the increasing role of corporations. According to students, the primary role of business lies in job creation, meeting citizens' needs, and social responsibility. Students' opinions diverged regarding the state's attitude toward the commercial sector: on one hand, authorities use businesses for their own interests; on the other hand, the state and business are seen as partners. Respondents envision three main future scenarios: societal development, lack of change, and monopolization; they do not include increased social responsibility of businesses in their future scenarios. The results indicate a low level of understanding among students regarding the role of corporate social responsibility in societal development, a lack of comprehension about these practices, and the connection between specific practices and corporate citizenship principles. This highlights the significance of promoting awareness among the youth community about the*

importance of businesses—future employers—aligning with corporate citizenship principles.

Key words: *corporate citizenship, corporate social responsibility, business, Russian universities, students*

JEL classification: *L25*

1. INTRODUCTION

The processes of globalization, the increasing power of corporations, and the erosion of trust in traditional institutions are leading to the active involvement of businesses in addressing social issues and prompting companies to assume responsibilities commensurate with their rights (Dodd, 2018). This forms the basis of the concept of corporate citizenship, which expands the interests of company owners beyond their core activities.

Recent research has increasingly focused on the concept of corporate citizenship, which posits that companies, much like citizens, have an obligation to produce public goods. Consequently, corporate citizenship refers to the socio-economic actions of firms that align with their roles and responsibilities as members of society (Gardberg & Fombrun, 2006). Furthermore, it is viewed as the activities undertaken by organizations to fulfill various commitments while minimizing negative and maximizing positive social outcomes (Mohammad & Wasiuzzaman, 2021).

The implementation of corporate citizenship principles enables enterprises to gain a competitive advantage over their rivals. This is supported by a substantial body of scientific research.

Firstly, this position enhances economic efficiency by increasing consumer trust in such organizations. Consumers are more likely to purchase goods and services from socially responsible businesses (Arachchi, 2022). Therefore, the role of corporate citizenship is linked to the enhancement of the company's brand value.

Secondly, corporate citizenship positively impacts employees by improving their attitude toward work (Mijatovic et al., 2015) and reducing turnover rates through increased employee loyalty (John et al., 2019). Employers' efforts to enhance the quality of life in the community motivate employees to perform their tasks more effectively, as their contributions support the company's capacity for regional development (Hogg & Terry, 2000).

In the Russian discourse, the topic of corporate citizenship has not gained significant traction since the advent of a market economy. However, there has been a recent push at the state level for the necessity of business participation in addressing social issues. Particular attention has been directed toward involving commercial organizations in the country's demographic agenda—specifically, the need to stimulate birth rates (notably, the total fertility rate in Russia is significantly below the level of simple population reproduction; for example, in 2023, it was 1.41). At the Eastern Economic Forum 2023, the need for consolidating efforts between the government and businesses to tackle demographic challenges was discussed. On November 9, 2023, prospects for incentivizing employers to become more actively involved in supporting families with children were presented in the Upper Chamber of the Parliament of Russia—the Federation Council. The introduction of the ESG rating—a comprehensive assessment of the social responsibility of Russian enterprises—was announced, along with the adoption of a National Standard titled "Business Reputation Index for Entrepreneurial Entities (ESG Rating)," which established a methodology for assessing corporate social responsibility. At the Eastern Economic Forum 2024, the best practices for corporate social responsibility aimed at stimulating birth rates were already under discussion.

The issue of the ambiguous attitude of Russian society toward commercial organizations and business, in general, deserves particular attention. On one hand, researchers observe a positive perception of business and satisfaction with the activities of commercial organizations (Burov & Gordeeva, 2021). On the other hand, it cannot be said that there is complete trust in entrepreneurship among the Russian population: research findings indicate that the proportion of the distrustful

population exceeds that of the trusting (Ambrushkevich, 2023).

Russians believe that companies should act responsibly in areas such as environmental protection, healthcare, public safety, labor rights, and consumer protection, among others (Ivanova, 2015). At the same time, citizens of Russia consider the most significant aspects of corporate social responsibility not to be alignment with the interests of society, but rather obligations to employees and ensuring the economic stability of the company (Li, 2018). Often, Russians feel that social responsibility is not inherent to commercial organizations at all (Dmitriev, 2018).

The scientific novelty of our work lies in the study of young people's attitudes toward the commercial sector that implements the principles of corporate citizenship. The choice of student youth as the object of research is based on several reasons. Firstly, young people are potential (or already full-fledged, if they are combining studies with work) participants in the labor market; therefore, the reputation of organizations can be viewed by them as one of the factors influencing employer attractiveness. Secondly, students are active consumers who utilize goods and services from various brands and can monitor the quality of products from different manufacturers. Thirdly, the primary activity of students is studying, which may lead to their perceptions (both positive and negative) of potential employers being exaggerated. In turn, examining these perceptions allows for the identification of a broader range of opinions regarding corporate citizenship among commercial organizations.

The aim of our research is to analyze university students' attitudes toward business as a participant in addressing social issues. Within this study, we examined students' perceptions of the role of business in the development of the country and society as a whole; the parameters of "good corporate citizenship" among commercial organizations; the content of stereotypes regarding the relationships between government authorities and businesses; and students' views on the future if current trends in business development persist.

Researchers note that, due to socio-psychological characteristics, young people's perceptions of any phenomenon are influenced by their views on the surrounding reality (Timokhovich, 2019). As a result, students' perceptions of their professional futures are often quite illusory and develop as they accumulate life experience (Vishnevsky, 2021). Given their limited experience, students may form stereotypes shaped by their immediate environment, educational institutions, and mass media (Tarasova, 2011). The influence of these factors, along with the potential fragmentation of

students' knowledge about corporate citizenship, poses a limitation to our research.

2. MATERIALS AND METHODS

Group interviews were used as a research method. This approach allows for the exploration of participants' perceptions in a context that fosters group dynamics. The sources of information consisted of two group interviews with students (each group comprised eight students). Participants in the group interviews were students from the School of Public Administration and Entrepreneurship at Ural Federal University. The choice of students from this structural unit was based on its focus on preparing professionals for both public administration and the commercial sector. These students develop a worldview that includes an understanding of the necessity for cooperation between the state and business to address social issues. Furthermore, studying socio-economic professions may cultivate an interest in contemporary trends, including the demand for commercial organizations to align with the principles of corporate citizenship.

As a result of the selection process, groups were formed that were homogeneous in terms of age (students aged 20) and gender (equal representation of men and women) but varied in their potential interest in business. The first group consisted of students participating in the "Captains" educational track, while the second group included students not engaged in such activities. The "Captains" educational track is a specialized program designed to develop entrepreneurial competencies through the study of specialized subjects. By including students from this track, we aimed to mitigate the potential effect of insufficient awareness among students regarding the activities of commercial organizations. By incorporating two categories of students (the "Captains" track and the standard track) into the group interviews, we intended to identify differences in opinions among informants based on their levels of engagement and interest in entrepreneurial activities.

3. RESULTS

We found an overall positive attitude among students toward Russian business; however, this sentiment lacked clear justification—especially during the initial phase of the group discussion. Negative views regarding Russian business were also expressed, and these opinions were more elaborated. Students believe that businesses are primarily interested in maximizing profits by reducing competition through acquisition or driving competitors to bankruptcy, lobbying for corporate interests at the legislative level, fostering

corrupt relationships with regulatory authorities, evading tax obligations, and creating low-wage jobs. Thus, the negative attitudes of the surveyed students toward the commercial sector were based on specific examples of disapproved business practices. It is noteworthy that, in general, the informants showed little interest in any socially beneficial activities carried out by commercial companies.

For the respondents, the primary significance of business in the development of the country lies in job creation, which enables citizens to realize themselves professionally and earn an income. Secondly, businesses participate in meeting citizens' needs through the sale of goods and services. Thirdly, businesses contribute to achieving social justice in society, for example, by paying taxes or participating in charitable projects. Accordingly, students' expectations regarding the involvement of commercial entities in societal development are focused on individual professional self-realization (employment), comfortable living conditions (consumption), and assistance to those in need (corporate social responsibility).

As criteria for "good corporate citizenship," students identified either a focus on consumers or participation in regional development. The former viewpoint predominated. This may indicate that, for young people, the hallmark of business integrity is the quality of product delivery and the enhancement of convenience and comfort for consumers. This perspective could be attributed to the dominance of consumer-oriented attitudes among students and their underdeveloped expectations regarding the implementation of corporate social responsibility. Such an attitude may lead to organizations concentrating their efforts on customer relations, which could, in the long run, diminish their engagement in addressing social issues. Although students acknowledged the role of specific large industrial enterprises in regional development (such as constructing educational facilities, sponsoring local initiatives, and supporting public authorities), not all were able to name examples of companies that exemplify good corporate citizenship. They argued that the primary focus on financial interests often precludes the manifestation of social responsibility.

In young people's reflections on the relationship between the state and the commercial sector, two groups of opinions emerged. The first viewpoint is that public authorities regard business merely as a tool for budget replenishment. The arguments supporting this perspective include: the provision of socio-economic development for the country through tax payments; the authority of government bodies to oversee the activities of commercial

organizations and the potential application of penalties against unscrupulous companies; and the personal interest of officials in enriching themselves through representatives of the commercial sector.

The second viewpoint is based on the partnership between the public and commercial sectors in addressing social issues, as public authorities provide additional benefits and implement support measures for commercial organizations. Moreover, it is noted that small and medium-sized enterprises do not make a significant contribution to budget revenues.

Students expressed differing views on the potential changes in society in the future if current trends in the commercial sector continue. The positive scenario envisions technological progress, modernization across all sectors of society, digitalization, and technological development. It is expected that advancements in science and technology will lead to improvements in the quality of goods and services provided, as well as increased comfort for consumers.

A neutral scenario was also identified, in which individuals are assigned the role of mere observers: the increasing role of business will not significantly impact residents, as the main changes will occur within the commercial sector, with companies experiencing fluctuations depending on their field of activity. In our view, this perspective designates individuals as observers who are unable to effect any change; such a neutral forecast for societal development can be interpreted as an acknowledgment of the insignificance of individuals compared to large corporations.

It is worth noting that the idea of the importance of considering corporate social responsibility in the future was not articulated during the group discussions. Young people may be apprehensive about the strengthening of transnational corporations' positions in the modern world. This concern primarily relates to the impact of business on human behavior aimed at increasing company profits: consumption of informational content is stimulated through dopamine dependency, and marketing tools shape consumer preferences. The economy of loneliness is aggressively promoted, which, on one hand, leads to increased spending on consumption (for example, on personal housing and leisure), and on the other hand, pursues goals that are contrary to state pronatalist policies, thereby contributing to a limitation of the reproductive potential of the population.

Students express the greatest concerns regarding the continuation of current trends in the commercial sector, particularly related to the processes of monopolization by large corporations. Firstly, in the presence of monopolies, businesses are not incentivized to provide quality services,

despite some informants expecting just that from companies in the future. Secondly, under such conditions, corporations dictate employee employment, and the surveyed students expressed strong concern about their inability to achieve professional self-realization due to the diminishing significance of individuals in the modern world. Thirdly, possessing resources enables companies not only to dictate their own activities but also to influence decision-making processes. All of this leads to a potential increase in business pressure on citizens.

3. DISCUSSION

Earlier research findings by other Russian scholars predominantly revealed a positive attitude among young people toward business. Members of the younger generation exhibited a homogeneous positive perception of entrepreneurial activities (Luganskaya & Kochetkova, 2017) and expressed a desire to engage in entrepreneurial endeavors in the future (Efremova et al., 2012).

The lack of interest among young people in socially responsible business activities, as revealed in our study, may be attributed to their worldview, which is reflected in "professional infantilism" and a low level of personal social responsibility (Mugil & Spasenkova, 2021). One of the main risks for young people in pursuing professional activities is the risk of being engaged in work they do not enjoy, which contradicts their dominant value of seeking pleasure in life (Khashaeva, 2023). It is perhaps for this reason that students do not regard business as a significant actor in the social sphere (Vinokurova & Svetlov, 2020).

CONCLUSION

Based on the results obtained, the following conclusions can be drawn:

1. Among students, consumer-oriented attitudes prevail regarding the commercial sector—what matters most to them is the quality of goods and services provided by businesses. Students exhibit a certain level of distrust toward companies and show little interest in whether businesses assume social responsibilities or not.
2. As characteristics of a corporate citizen, students identified either a focus on consumers or participation in regional development. However, some informants were unable to provide an example of a reputable company.
3. In young people's reflections on the relationship between the state and the commercial sector, two groups of opinions emerged: for public authorities, business is merely a tool for budget replenishment, while the state and the commercial sector are seen as full partners in addressing social issues;

4. Young people are concerned about the increasing role of corporations, which are gaining more opportunities to negatively impact society.

In our opinion, a specific social demand is necessary for businesses to demonstrate corporate citizenship in today's Russian society. Public authorities should promote and continue efforts to institutionalize the non-commercial activities carried out by businesses. Such promotion will enable citizens to develop a demand for the social responsibilities of businesses and establish criteria that, when met, will allow enterprises to align with the image of a corporate citizen.

It is likely worth focusing on the potential of promoting information about existing practices for creating comfortable working conditions, including among young people. Firstly, students are potential employees, and they should understand what they can gain by being employed by various employers. Secondly, there is currently a "staff shortage" in many sectors in Russia, which intensifies competition among companies for new employees. Today, it is important for businesses not only to implement corporate measures for their workers but also to actively promote this information, including among students who can help fill the personnel gap.

Universities that are interested in securing employment for their graduates in their respective fields should also participate in promoting practices that align with the principles of corporate citizenship. By demonstrating employers' involvement in socially beneficial activities, educational institutions not only showcase employment opportunities but also reinforce students' beliefs in the soundness of their chosen specialties upon enrollment. This, in turn, positively impacts students' motivation and their desire to continue their education; furthermore, it fosters the development of collaboration between educational organizations and businesses. In the context of a labor market shortage, universities should cultivate among students an attitude toward employers that aligns with the principles of corporate citizenship, emphasizing those employers who provide maximum benefits to society (and thus to university graduates).

The results obtained demonstrate that students, in general, show little interest in the participation of businesses in addressing social issues within their communities, let alone the role of the commercial sector in demographic agendas. In the context of promoting state demographic policy, it is important not only to focus on informing the public about government measures to support families with children but also to communicate practices related to corporate demographic policies. This could positively influence young people's perception of employers as key

stakeholders in demographic policy, participating in the support of employees with family responsibilities.

The results obtained may contribute to shifting the focus of interactions between universities and the real sector of the economy, guiding businesses in their career orientation activities amid labor market shortages and adjusting curriculum programs regarding the content and purpose of corporate social responsibility and corporate citizenship considering negative demographic trends. We see prospects for further research in utilizing the findings to develop tools for surveying university students in Russian regions with a highly developed commercial sector.

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