

Fulfillment of social responsibility in active political and non- political companies in Tehran Stock Exchange

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ABSTRACT: The social responsibility tends to something beyond the primary tasks of enterprise and in fact upgrading the corporate behavior level to a situation that is consistent and coordinated with benefits of environment and community where in light of this factor on the one hand it causes coordination in economic interests with environment and on the other hand it leads to growth and stability of businesses of enterprises. The present investigation is intended to examine making effort for social responsibility in political and non- political companies. The period of researching studies is related to career (2002-2011) with statistical sample including 92 enterprises. This research has been carried out at three phases: (1- Measurement of social responsibility with DEA model; 2- Measurement of political and non- political companies by means of TOPSIS technique; and 3- Implementation of statistical tests). The given results have signified the difference among political and non- political enterprises in playing role of social responsibility.

KEYWORDS: Social Responsibility, Political Enterprises, Non- Political Enterprises.

1 INTRODUCTION

Today, the business unit may not escape from the community and at the same time the society could not survive without the commercial unit. Thus, there is two-way relationship among the commercial unit with the community (Salehi et al, 2013). Although, most of people and environment, which constitute the surroundings of the economic enterprises, are the main audiences in theory of beneficiaries, the other major audiences such as government, personnel, and other non-governmental organizations (NGOs) may intervene and in contrast they may prepare the appropriate grounds for development and progress of business units with providing the needed conditions for acquisition of the return and equity by the investors and creating confidence for the beneficiaries regarding lack of arbitrages and unfair activities (Sandhu and Kapoor, 2010). ISO26000 assumes the social responsibility as the task of enterprises regarding the effects of their decisions and activities for the community and environment through transparent and moral behavior (ISO, 2010). The Corporate Social Responsibility (CSR) consists of the process of creating wealth, upgrading the corporate competitiveness advantage, and maximization of value and the created wealth for the community (Zhu, 2008) that in general considers the commitment and paying attention to business toward quality of life for personnel, customers, local community, and total society in the course of sustainable economic development (Holme & Watts, 2000). In the conducted polling in Mac Kinsey great leading institute in 2009, of 2245 Top managers (CEOs) from the prosperous companies throughout the world, about 75% of them argued that investment in execution of strong and successful plans in various social and benevolent fields might be followed by higher stock value and thus appropriate performance for the enterprise by creating reputation and comprehensive credit in the long

run (Khadivi Fard, 2011). To fulfill the corporate social responsibility, the economic enterprises are required for execution of four responsibilities (voluntary, moral, legal, and economic responsibilities) (Rahimian, 2012). The present essay is aimed at the effort made by political and non- political enterprises regarding social responsibility. Initially, the coefficients of social responsibility of political and non- political companies have been extracted according to the archived data by employing TOPSIS model through dividing them into political and non- political types and then by means of DEA technique and finally the difference among the values of the coefficients specified to any year- for political and non- political enterprises are proved by test of means comparison and the preference of political or non- political type of enterprises is determined by independent t-test.

2 THEORETICAL BASES AND RESEARCH HISTORY

2.1 CONCEPT OF SOCIAL RESPONSIBILITY

Today along with growth and developing of various industries and commercial units, some new issues and problems have been created which caused by consequences and effects of activities in commercial units on environment and community. Therefore, the quality of evaluation of performance in organizations and their criteria have been transformed and moving in the course of social and environmental responsibilities has been turned into a requisite and vital factor for continuance of organizational activity in long term (Sikka, 2011). Also, the enterprises know this point well that in whatever type of companies they are, they are owed to the demand of community for their business activity in order to survive their foundation and success (Matsoshita, 2010). Rather than fulfillment of accountability to their owners, the enterprises are required for fulfillment of their own social responsibility to preserve health of community (Rahimian, 2012). Today, following to presentation of corporate leadership system and necessity for its application, the enterprises are encouraged to employ it within some frameworks such as social responsibility within the limit of morality, fairness, transparency, and accountability etc with hoping for rising return and profit in the long run (Abd Zadeh & Baik, 2013). Howard Bowen as father of social responsibility (1953) defines the social responsibility as 'the merchants' liabilities to follow the policies, decision making, and or obeying the appropriate measures in terms of goals and values in the community' (Murphy & Schlegelmilch, 2013). Today, the Corporate Social Responsibility (CSR) is employed widely and generally as a concept and there is no single definition that is unanimously agreed by all of people (Freeman & Hasnaoui, 2011) and Carol (1999) also refers to social responsibility as a multidimensional variable that has been evolved during recent decades and it includes various definitions (Font et al, 2012).

Today, the social responsibility is utilized as a regulatory and trustful mechanism to adjust the enterprise with spirit of law and ethical standards (Hejazi et al, 2013). The social responsibilities put the enterprises and commercial goals and activities in the course of social values and welfare in the community (Amrah Zadeh & Sabet, 2013). The corporate social responsibility emphasizes on quality of creation of wealth by responsive business (Marfo et al, 2013). European Commission (2001) defines the social responsibility as 'A voluntary composition of social and environmental considerations in commercial operation of enterprises and their relations with the interest groups' (Mellat Parast & Adams, 2012). The social responsibility is an activity that is done to advance some of social goals beyond the financial objectives (Harjoto, 2011). Regarding corporate social responsibility, rather than shareholders the other groups are further responsible beyond what it has been described by the regulation and contract of union (Johnson, 2010). The main essence of social responsibility is the ethical responsiveness (Setayesh et al, 2013). The useful imagination and perception of corporate social responsibility should be based on attitude of beneficiaries and both instructive and instrumental aspect of this paradigm should be addressed (Yehaneh & Barzgar, 2012). Overall, social responsibility tends to find something beyond the corporate primary tasks and in fact upgrading the corporate behavior level toward a consistent and coordinated status with the environmental and social interests (Kaul, 2012) that under the light of this factor on the one hand it may cause coordination of economic interests with the environment and on the other hand it leads to developing and stability of business in the enterprises (Ghasemi, 2012).

Tendency and persistence of commercial unit to commitment to social responsibility in all its dimensions may noticeably affect on financial performance; in fact, tendency to social responsibility may encourage the commercial unit for improving the environment, utilization from lesser energy and materials, management of wastes etc (Sandhu & Kapoor, 2010). As a result, the commercial unit can voluntarily maximize their long- term efficiencies and returns with reducing their negative effects on the community so that today this paradigm has formed growingly among commercial units as a result their long-term achievement may be realized by managing corporate operation simultaneously with creation of confidence for environmental support and advancement of corporate social responsibility as well (Samy et al, 2008). Hence, the corporate social responsibility leads to improving corporate achievement in long run and finally it causes economic growth and rising of corporate competitive advantage and improvement in its financial performance (Sanchez et al, 2010). On the other hand, the social responsibility may affect on all dimensions of corporate (organizations) performance from two aspects at macro level.

First is that investors (consumers) ask for investment (goods purchase) in their trusted enterprises (organizations) and secondly the corporate social responsibility acts as an important element in their strategy, which will be assumed as vital in 21st century due to some reasons including rising wealth, expectations of social variables like consumer, globalization, and data free stream, and also rational use of energy and ecologic resources (Chandler, 2006). The internal practice of social responsibility may lead to improving corporate position and eventually rising efficiency and profitability and at last their survival in the long run (Cardebat & Sirvan, 2010). The advantages of corporate social responsibility are as follows: 1) Reduced management risk (ease of access to credits, increased value of assets for investors, and supporting from beneficiaries etc); 2) Lower direct costs (energy, materials, and wasted time etc); 3) Rising of personnel's productivity (increased motive and reduced absenteeism etc); 4) Improved corporate competitive image (Pettenella, 2010). The financial directors and accountants play vital role in the organizations in the related fields of social responsibilities such as reporting, transparency, ethical principles, compliance to law, communication with beneficiaries and consumption of resources (Albo, 2014) while the major part of accounting data in social responsibility has non- financial nature. Instead of being assumed as a part of main report, this information is usually found in part of notes from annual reports (Nik Mohammad et al, 2011). It necessitates for financial directors and accountants to know this point that the current commercial environment has provided several opportunities and threats for the accountants and accounting profession should be changed with increasing importance of ecologic issues, social responsibility, and risk management and reporting (Carnegie & Napier, 2010).

2.2 POLITICAL AND NON- POLITICAL ENTERPRISES

The financial reporting should provide information about financial status performance, and flexibility (elasticity) of business unit for the users of financial statements by means of the financial reports so that they are able to make the best decision with respect to the given information. But, the financial reports may not be actually proposed for managerial objectives. The accounting return (profit) is one of elements in financial reports, which is assumed as the foremost criterion in corporate performance and as a basis for making decisions for investment, financing, and measurement of directors' performance and serves as a criterion for performance of economic sector of the community at macro level that highly affects on macro and micro policies of the governments. The conducted studies have indicated that the directors balance the reported profits by taking certain accounting policies, judgment, changing in accounting estimations and managing of accruals and for this reason, the reported profit may be far away from the actual return and has no the adequate objectivity (Stoloy & Bereton, 2004).

The more recent studies have shown that the directors affect on quality of financial reporting by political communications (i.e. the possibility of corporate interaction with the government and governance). Johnson and Mitton (2003), Leos and Eberhelzer (2006), Guedhami and Pitman (2006), Bertrand et al (2007), Eighul et al (2011), Chaney et al (2011), Kian et al (2011), Blasé and Goal (2012), and Boubakri et al (2012) indicated in their studies that the political relations might act as tool for profit management, manipulation of results, performance etc in enterprises.

2.3 RESEARCH HISTORY

Many studies have been conducted regarding social responsibility and its effects on performance and they have been followed by several positive, negative, and neutral results. The cultural, legal, social, and economic texture of the countries is one of the reasons for difference in these outcomes so it is referred briefly to some of these investigations in the following: In an investigation under title of 'the relationship between social responsibility and financial performance of listed companies on the Stock Exchange', Salehi et al (2013) studied on this issue. The results of this survey showed that there was no significant relationship among financial performance with corporate social responsibility toward the customers and the existing items in the community. In their study titled as 'the corporate social responsibility and financial of performance of enterprise', Scott et al (2010) examined the relationship among financial performance and corporate social responsibility in which the results of their study signified the existing positive relationship among financial performance and corporate social responsibility. Choi et al (2010) conducted a research among 1222 enterprises in Korea where the results of their study suggested the existing positive and significant relationship among financial performance with social responsibility. Nelling and Web (2008) explored the relationship among financial performance and corporate social performance. The results of this investigation signified the existing negative and weak relationship among the financial performance and corporate social performance. Similarly, in a study under title of 'Financial performance and corporate social performance', Vanderlan et al (2008) examined the relationship among financial performance and social performance of enterprises in which the results of this study reflected the negative relationship among financial performance and corporate social performance. Simpson and Kohers (2002) investigated into the relationship among performance and corporate social performance in banking industry of Netherland in a research under title of 'the relationship among performance and corporate social performance' where the

results of their survey indicated the existing positive relationship among this financial performance with social performance. Tsoutsoura (2004) explored that relationship among corporate social responsibility with their financial performance. The results of this investigation showed a positive and significant relationship among financial performance with corporate social performance. The neutral relationship (lack of relation) among these two variables has been proved by these studies. This investigation expresses that whereas the general status of company and community is very complicated thus there is no direct relationship among corporate responsibility with its financial performance (Simpson & Kohers, 2002) (Tsoutsoura, 2004).

3 RESEARCH METHODOLOGY

3.1 RESEARCH QUESTION

Is social responsibility identical in both political and political enterprises?

3.2 METHODOLOGY

This investigation is done in the field of accounting confirmatory researches and it is assumed as one of the applied descriptive- correlation studies in terms of objective. What it leads this study to its applied nature is paying attention to subject of social responsibility by the enterprises, which may cause survival for enterprises and growth and reputation and their comprehensive credit in the long run.

3.3 ANALYSIS TECHNIQUE

3.3.1 SOCIAL RESPONSIBILITY MODEL

Charnes and Copper proposed a new method for evaluation of performance and calculation of efficiency in decision-making units under title of Data Envelopment Analysis (DEA) that is considered as a basis for relations between inputs and outputs with concept of production function where this production function indicates the maximum value for outputs and it is derived from a composition of input values. The production function indicates rate of efficiency by considering inputs and outputs (Mirhassani, 2012). The social responsibility coefficient has been calculated by the following model with appropriate variance by means of Data Envelopment Analysis (DEA).



Fig. 1. Social responsibility model

The values of social responsibility coefficients, which are derived from DEA method, ranged within interval (0-1). All of the studied enterprises have been identified in any year- company including full number 1 and then they have been ranked by considering sum of the greatest full score.

3.3.2 THE DETERMINATION MODEL FOR POLITICAL AND NON- POLITICAL ENTERPRISES

The political enterprises in this study have been measured by means of Multi- Criteria Decision Making (MCDM) model with TOPSIS techniques and through weighting by entropy method. To separate political companies from non- political enterprises, the indices of political costs have been utilized with respect to Diagram (6). The decision matrix for separation of political companies from non- political enterprises is shown by TOPSIS technique in Diagram (2):

Employer's premium & unemployment insurance (down-payment)	Sum of exported sale	Number of personnel	Income tax	Sum of assets	value in stock exchange market	Separation variables of enterprises
						companies in year
X_{1m}	X_{12}	X_{11}	X_1
X_{2m}	X_{22}	X_{21}	X_2
⋮	⋮	⋮	⋮	⋮	⋮	⋮
X_{nm}	X_{n2}	X_{n1}	X_n

Fig. 2. Decision matrix for separation of political from non- political enterprises

This technique is based on this concept that the selected choice should be located at the minimum distance from the ideal positive solution (profit index) and the maximum distance from the negative ideal value (cost index) (Asgarpour, 2004). In this matrix, the return (equity) index has the incremental uniform utility (positive aspect) and also cost parameter is the decremental uniform utility (negative aspect). In this survey, the parameters for separation of companies with widely political interactions with government have incremental uniform utility (positive aspect) and therefore they are considered as return (profit) index. Similarly, whereas the indices are not identically important for the decision-makers thus weights of indices have been determined by Shannon entropy technique and they entered as input into TOPSIS algorithm. After weighting them by means of TOPSIS technique and measurement and ranking by entropy method, the enterprises were classified into three groups in which the enterprises with wide political interactions were ranked as the higher class and the companies with the limited political relations were identified as the lowest rank while the companies in middle group were excluded from this study.

3.3.3 THE PHASES OF PROBLEM SOLVING BY TOPSIS METHOD

Step I: Normalization of decision matrix

At this step, we compare the existing scales in decision matrix by means of Eq. (6). As a result, each of values is divided by values of the related vector to the given index.

$$r_{ij} = \frac{x_{ij}}{\sqrt{\sum_{i=1}^m x_{ij}^2}} \quad \text{Eq. (1)}$$

Step II: Weighting the normalized decision matrix

The weighted normalized matrix is derived from Eq. (2):

$$V_{ij} = r_{ij} \times w_j W = (w_1, w_2, \dots, w_j, \dots, w_n) \quad \text{Eq. (2)}$$

Step III: Determining the positive and negative ideal solutions

$$A^+ = \{(\text{Max } V_{ij} | j \in I), (\text{Min } V_{ij} | j \in J') | (i = 1, 2, \dots, m)\} = (V_1^+, V_2^+, \dots, V_n^+)$$

$$A^- = \{(\text{Min } V_{ij} | j \in I), (\text{Max } V_{ij} | j \in J') | (i = 1, 2, \dots, m)\} = (V_1^-, V_2^-, \dots, V_n^-)$$

$J = \{j = 1, 2, \dots, n | J \text{ related to positive indices}\}$ $J' = \{j = 1, 2, \dots, n | J' \text{ related to negative indices}\}$

Two virtual created choices of A^+ (Positive ideal choice) and A^- (negative ideal choice) are the best and worst solutions, respectively. It should be noted that the positive ideal value of any index is its maximum value and the negative ideal value of any index is its minimum value.

Step IV: Acquisition the size of distances

The distance of i^{th} choice of positive and negative ideal values is calculated respectively as follows:

$$d_i^+ = \sqrt{\sum_{j=1}^n (V_{ij} - V_j^+)^2} \quad i = 1, 2, \dots, m \quad \text{Eq. (3)}$$

$$d_i^- = \sqrt{\sum_{j=1}^n (V_{ij} - V_j^-)^2} \quad i = 1, 2, \dots, m \quad \text{Eq. (4)}$$

Step V: The calculation of relative proximity CL_i to ideal solution A^+

$$CL_i^+ = \frac{d_i^-}{d_i^- + d_i^+} \quad i = 1, 2, \dots, m \quad 0 \leq CL_i^+ \leq 1 \quad \text{Eq. (5)}$$

CL_i^+ : The relative proximity of i^{th} to ideal solution

Step VI: Ranking of choices

Finally, we rank the choices based on CL_i^+ descending order.

3.3.4 SHANNON ENTROPY TECHNIQUE

In the current study, weights of indices have been determined according to Shannon entropy technique (Azar & Rajabzadeh, 2002:143) and they entered as inputs into TOPSIS algorithm. This technique is based on this point that as the values of an index are more dispersed, that index will be more important (Akbari & Zahedi Keyvan, 2008: 46). In order to weight them by Shannon entropy technique, the following phases should be implemented respectively:

Step I: Formation of decision making; *Step II:* Quantization of decision matrix; *Step III:* Normalization of decision matrix

$$r_{ij} = \frac{X_{ij}}{\sum_{i=1}^m X_{ij}} \quad \text{Eq. (6)}$$

r_{ij} : descaled value of i^{th} choice with respect to j^{th} index;

X_{ij} : value of i^{th} choice in respective of j^{th} index;

m : number of choices that can be ranked

Step IV: Calculation of entropy for each of indices

$$E_j = -K \sum_{i=1}^m [(r_{ij} \times \ln r_{ij})] \Rightarrow \begin{cases} j = 1, 2, \dots, n \\ K = \frac{1}{\ln(m)} \end{cases} \quad \text{Eq. (7)}$$

E_j : Entropy for each index

It should be mentioned that the value of entropy for each of indices ranged from zero to one.

Step V: Calculation of non- confidence (uncertainty) or deviation degree in each of indices

$$D_j = 1 - E_j \quad \text{Eq. (8)}$$

D_j : Uncertainty or deviation degree for any index

Step VI: Calculation of weight for each of indices

$$W_j = \frac{D_j}{\sum_{j=1}^n D_j} \quad j = 1, 2, \dots, n \quad \text{Eq. (9)}$$

W_j : weight of each index

It should be noted that the sum of acquired weights for the given indices to decision-maker should set as one (Akbari; 2008:46-49). More simply:

$$\sum_{j=1}^n w_j = 1 \quad \text{Eq. (10)}$$

3.4 STATISTICAL ANALYSIS METHOD

3.4.1 TESTING COMPARISON OF MEANS (KRUSKAL- WALLIS)

SPSS software has been utilized to test normality of data (Kolmogorov- Smirnov) as well as final test of comparison of means (Kruskal-Wallis). This test is a series of non-parametric tests that has been used by aiming at proving difference in mean values of social responsibility coefficients in political and non- political companies.

Confirmation of H_0 hypothesis	$H_0 = \mu_1 = \mu_2 = \mu_3 = \mu_k$	Sig > 0
Confirmation of H_1 hypothesis	$H_1 = \mu_1 \neq \mu_2 = \mu_3 = \mu_4$ $H_1 = \mu_1 \neq \mu_2 \neq \mu_3 = \mu_4$ $H_1 = \mu_1 \neq \mu_2 \neq \mu_3 \neq \mu_k$	Sig ≤ 0

Fig. 3. Conditions for means comparison test

3.5 STUDY PERIOD AND STATISTICAL SAMPLE

Research statistical population includes all of non- financial (production) enterprises, which were admitted in Tehran Stock and Exchange Organization (TSEO) from 2002 to the end of 2011. The studied statistical population in this investigation is selected by means of screening and with respect to the following criteria: 1) Type of activity of enterprise should be production and therefore the financial and investment institutes, banks, insurance companies, leasing and holding corporate are not included in this sample; 2) The companies, which have maximally six months transactional stop period during the given time; 3) The fiscal year of companies should be ended to 21st March of next year (end of Iranian calendar year) and financial period of companies was not changed during studied period; 4) Their financial data should be available from the beginning of fiscal year 2001 to the end of fiscal year 2011 (time range); 5) The book value of rights of their shareholders should not be negative. As a result, during step-by-step sampling 92 enterprises from 10 industries (mine extraction, types of food and drinking products except sugar and sucrose, automotive and parts manufacturing, metallic products manufacturing, other minerals and non metallic products, basic metals, rubber and plastics etc) were selected.

3.5.1 OPERATIONAL DEFINITION OF RESEARCH VARIABLES

Measurement of variables of social responsibility/ DEA model for calculation of Efficiency	
Number of owners (Own)/ Number of personnel (OMP)	Voluntary responsibility
Total arbitrary accruals (TAC)	Moral responsibility
Disclosure degree (Dis./ tax on payable performance (Tax)/ Employer's premium share (OMP)	Legal responsibility
Q-Tobin Index (Q-Tobin)/ Sale growth (Δs)/ Stock return (Return _i)	Economic responsibility
With DEA conceptual model of efficiency coefficient resulting from execution of CR technique with listed symbol in Diagram (1)	Social Responsibility

Fig. 4. Table of research dependent variables

Measurement of independent variables (Recognition of political and non- political enterprises) / TOPSIS Model
<u>Stock market value</u> : The higher stock market value exists in Stock and Exchange Organization (SEO), the subsystem in Ministry of Finance and Economic Affairs (MFEA) assumes greater importance for the given enterprise.
<u>Sum of assets, income tax</u> : The greater sum of assets and income tax is; the given enterprise will be further related to Ministry of Labor and Social Affairs.
<u>Number of personnel</u> : The more number of personnel exists in company; there is more relationship among the company with Ministry of Commerce.
<u>Sum of exported sale</u> : The higher sum of exported sale exists, the greater relationship will be among the enterprise and Ministry of Commerce.
<u>Employer's premium share and unemployment insurance</u> : The higher rate of employer's premium and unemployment insurance exists; the company has further relationship with Ministry of Labor and Social Affairs.

Fig. 5. Table of research independent variables

3.5.2 VARIABLES NORMALITY TEST

Kolmogorov- Smirnov normality test was used for observations of more than 2000 samples and for dependent variable in this survey by accepting null hypothesis (H₀) when the related data for each of variables are normally distributed and hypothesis (H₁) is accepted when the given data for each of variables are not distributed normally. As you observe in Diagram (5), (Shapiro- Wilk) value that shows significance level by abbreviation (Sig.) is smaller than confidence level (0.05) for data in any variable. Thus, H₀ hypothesis is rejected and H₁ hypothesis is accepted and data in dependent variable are assumed with abnormal distribution at high level of confidence.

Variables (Independent and dependent)	Normal parameters (a,b)		Most intensive variance			Significance level $H_0 = \text{Sig} \leq 0$ $H_1 = \text{Sig} > 0$
	Standard deviation	Mean	Negati ve	Positive	Absolute value (Modulus)	
Social responsibility in political enterprises	0.24854	0.8079	-0.216	0.220	0.220	H_1
Social responsibility in non-political enterprises	0.24325	0.8384	-0.272	0.253	0.253	H_1

Fig. 6. Kolmogorov- Smirnov test

3.6 RESULTS OF TEST

(Social Responsibility) tested statistic	
Chi-Square statistic	4.771
Degree of Freedom	1.00
Significance level	0.029

Fig. 7. Table of descriptive statistic and test statistics

Table of testing statistic, which includes result of test with respect to this definition, comprises of H_0 : (Social responsibility is the same in political and non- political enterprises) and H_1 : (Social responsibility differs in political and non- political enterprises). One can observe value of chi-square statistic with 9 degrees of freedom as well as testing significance level (p -value = 0) that indicates rejection of hypothesis H_1 and acceptance of null hypothesis H_0 . With respect to above output, the final result is that social responsibility is the same in political and non- political enterprises.

4 CONCLUSION

The growth of wealth in developed communities has caused to draw further attention toward social responsibility and attitude of seeking responsibility from the enterprises by the social groups while the cost will become very high in a community where directors do not feel the sense responsibility toward them. If the enterprises do not respect their social objective, the environmental pollution, poverty, disease, discrimination, and disorder will encompass their environment and these problems will also entangle them if they do not look at this issue with a little foresightedness.

In this course, this study is primary intended to design an appropriate model of social responsibility in Iran without using surveying research (questionnaire) so that it can measure corporate social responsibility based on the archived data. The secondary goal of this investigation was to explore the relationship of social responsibility in political and non- political enterprises. In this regard, 92 companies have been studied during 9- year period of research (2003-2011) and coefficients of their social responsibility were extracted by means of DEA model. Then, the political and non- political enterprises were identified by application of TOPSIS model and finally the variable of social responsibility was explored in them by employing mean values comparison test. The results signified the identical effort made by political and non- political enterprises for social responsibility.

Variable	Quantity	Maximum	Minimum	Mean	Standard deviation	Skewness coefficient	Kurtosis coefficient
Social Responsibility	730	1.00	0.00	0.24667	0.24667	-1.335	0.431

During recent years in Iran, the corporate social responsibility has been proposed by owners of industries and private sector, non- governmental companies, intellectuals, and academicians. The first conference on social responsibility was held by some of industrial institutes such as Iran Chamber of Commerce (ICC), confederation of industry, some of private companies and non- governmental organizations was the start point to propose concept and literature of this subject in Iran and it is expected that with respect to more competitive nature of some industries and free economic climate in enterprises, they notice some issues such as responsibility versus personnel, consumers, and community and take the interests of beneficiaries into consideration in their own plans and activities.

5 RESEARCH CONSTRAINTS

Disclosure degree has been spread by Tehran Stock and Exchange Organization (TSEO) since 2003. In this study, lack of access to data from these companies during one year (2002) has been considered as the basic limitation.

6 RESEARCH SUGGESTIONS

6.1 RESEARCH APPLIED SUGGESTIONS

- Social responsibility causes creating a general appropriate image. The customers trust in an enterprise that observes principles of social responsibility and even they are eager to pay fund against receiving goods or services. If the enterprises fulfill their social responsibility well, they can create reputation and fame for them while overlooking this issue by the companies leads to damaging of corporate trade name and value.
- Paying attention to social responsibility causes encouraging personnel to social participation and this in turn leads to create sense of loyalty to the organization so that the expert manpower will admire their organization.

6.2 SUGGESTIONS FOR THE FUTURE RESEARCHES

- Application of metaheuristic algorithms to design social responsibility model
- Employing fuzzy systems for ranking corporate social responsibility (CSR)
- Utilization from more variables in design of social responsibility model like financial leverage, size of enterprise, and age of enterprise etc.

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