

## **THE ROLE OF HUMAN RESOURCE PROFESSIONALS (HRP) IN PROMOTING CORPORATE SOCIAL RESPONSIBILITY (CSR): A CASE STUDY OF PAKISTAN STATE OIL (PSO)**

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**ABSTRACT:** *The current research investigates the role of Human Resource professionals (HRP) in promoting Corporate Social Responsibility (CSR) in the public sector of Pakistan. Pakistan is part of the developing nations and is facing serious socio-economic, environmental, and political problems; partly because Pakistan has remained under the influence of British colonial rule. The long British colonial rule left serious administrative issues throughout the Indian subcontinent. This paper has identified a number of obstacles to integrating HRM and CSR that companies in Pakistan is facing. These obstacles are cultural, legal framework of corporate structure, rules and regulations regarding employee's rights, which are a part of the CSR landscape. Corporate social responsibility is getting more popular in the HRM literature, where HR managers' role is of greater significance for achieving CSR objectives. The authors develop a conceptual framework, which can help in strengthening and promoting links between HR and CSR resulting in achieving organizational, social, and financial objectives. In light of the findings, policy implications and recommendations are discussed in last section of the paper.*

**KEYWORDS:** The Role of HRD, HR Professionals, HRM, CSR, Public Companies, Pakistan, HR and CSR Nexus

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### **INTRODUCTION**

Human resource departments play an important role in initiating and implementing CSR activities (Garavan & McGuire, 2010). These authors assert that managers have the capabilities to utilize their skills and competencies to promote a CSR culture. HRD have immense resources to utilize for development of CSR activities and initiatives (Ardichvili, 2013). Fenwick & Bierema (2008) have asserted that;

*“HRD professionals might familiarize themselves with the principles and possibilities of CSR within the company. HRD might examine possible links among employee learning and organizational development”.*

The literature published on CSR in some of developing countries including Pakistan, Bangladesh, and India suggest that limited research has been undertaken (Naeem & Welford, 2009; Visser & Tolhurst, 2010). Furthermore, most of the previous studies on CSR have been undertaken in the context of developed and Western countries (Baek & Kim, 2014).

The field of HRM in the Pakistani context is at a very early stage and has not been fully developed in accordance with international standards. For example, Jhatial, Cornelius, & Wallace, (2014) have identified that colonial, post-colonial, and post 9/11 influences adversely affected the management practices in Pakistan. Hence, it can be said that link of CSR and HR is not seen in Pakistan.

The literature published on HRM and CSR in developing nations including Pakistan suggests that these two concepts have not been fully embedded in organizations (Kundu & Gahlawat, 2015; Rehman, Khan, & Nazeer, 2015). The reason is a lack of understanding of the relationship between HRM and CSR in organizations operating in Pakistan. Pakistan is confronted with some serious problems that include political instability, rampant corruptions, unethical business practices, human rights violation, unemployment, and environment degradation (Jhatial, Cornelius, & Wallace, 2014). A careful review of the literature published in context of Pakistan indicates acute shortage of empirical evidence that address the role of HRP in promoting CSR especially in public sector organizations.

Hence, this paper develops a conceptual lens on HR–CSR that high lights links vital for public owned companies. In addition, this paper explains that how HR-CSR nexus can be constructed. This is done using a vast and extant literature search. Consequently, the results presented in this paper fall into three categories:

1. HR and CSR
2. HR and CSR nexus
3. The role of HRD professionals

## **REVIEW OF LITERATURE**

To investigate the links between HRM and CSR the concepts HRM, CSR, and HRD---CSR nexus are portrayed based on review of published research literature. The results are discussed in detail in the following.

### **Human Resources Management (HRM) practices in developing nations**

There appears a growing scholarly attention on HRP, which calls for greater focus on social responsibility particularly in a Western context (Fenwick & Bierema, 2008). There has been a growing awareness among the researchers to study the management practices in developing nations. Some authors including Boxall, Purcell, & Wright (2007), Budhwar & Debrah (2013), and Jhatial, Cornelius, & Wallace (2014) argued and identified that HR practices among some of the developing nations remained under the influence of British Raj, which reflect “national, cultural, political, constitutional and religious involvement”. These authors add that HR and CSR nexus have not been yet fully developed and are at early stage in the developing countries context.

Some of the Asian countries including few Muslim countries adopt religious principles in their management practices (Budhwar & Debrah, 2009, Jhatial, Cornelius, & Wallace, 2014). According to these authors, the traditional and religious approaches in management practices among Asian and Muslims did not coup with the international standards. Further, according to these authors such barriers have put hurdles in the overall organizational development.

Human resource management involves all management decisions and action that affect the nature of the relationship between the organization and its employees (Beer, 1984). According to Armstrong & Taylor (2014);

*“Human resource management (HRM) is a strategic, integrated and coherent approach to the employment, development and well-being of the people working in organizations”.*

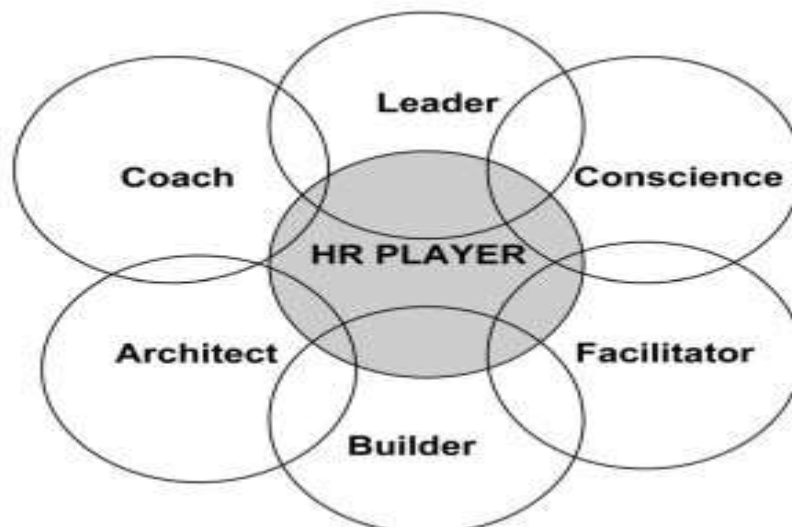
According to these authors, a good relationship of employees with their employers brings number of benefits including developing loyalty among employees and increase organizational performance. HRM policies and practices involve in carrying out the ‘people’ or human resource, which are aimed at increasing the loyalty, commitment and motivation among the employees (Garrow & Hirsh, 2008).

Boxall et al. (2007) proposed two normative models including ‘best fit’ and ‘best practice’ of HRM. In the models it is examined how HRM is shown critical to organizational effectiveness. In the ‘best fit’ model, it is identified that:

*“firms performance will improve when HR practices mutually reinforce the firms (predetermined) choice of cost leadership, differentiation focus as its competitive posture”.* Whereas, in best practice model Peter recognized and identified that *“all firms will see performance improvement if only they identify and implement best practice”* (Boxall & Purcell, 2000).

Eventually, the role of HR professionals got momentum into the Western societies. For example, B. E. Becker, Huselid, & Ulrich (2001) figured out the role of HR managers in which he identified the specific roles HR managers have to play for achieving specific objectives.

In the following figure, Ulrich has elaborated the roles of HRD professionals.



**Figure: 2 HR players and their role source: (B. E. Becker, Huselid, & Ulrich, 2001, p. 294)**

Ulrich while developing the model helped many researchers to make use of it in different perspectives. In the figure, Ulrich has made it obvious that HRD department has to play a

central role in achieving specific objectives. Furthermore, the figure also reflects upon that HR managers can play different roles. The different dimensions of role from the figure indicate that HR managers can perform multi-task and thus can help organizations achieving their goals and objectives.

The above literature reflects that what HRM has not fully developed in developing nations including Pakistan. In particular, the HRM and CSR nexus seems ignorant and have not yet fully nurtured. However, literature particularly in a developed countries context indicates that HRM has developed and advanced. HRD and its role in organizations are getting more momentum in developed nations. We shall return to this discussion later in the conceptual part of the chapter where HRD's role in promoting CSR will be discussed.

### **Corporate Social Responsibility (CSR) in developing nations**

CSR is all about how companies view the social responsibility in their operations, many researchers have narrated the concepts of CSR. For example, according to Carroll the social responsibility of businesses is to do their operations while considering economic, legal, ethical, and philanthropic aspects hereof (Carroll, 1979). CSR should produce overall positive impact on societies and the business activities must be designed to develop strong relationship between business and society (G. S. Becker, 2002; W. S. Becker et al., 2010). CSR for any organization should focus on satisfying their internal as well as external stakeholders (A. Jones et al., 2004; T. M. Jones, Indexes, Register, & Socially, 1980; Wood & Jones, 1995). Through this relationship, managers of different organizations will become very close to other stakeholders and thus will result in getting good results (Frederick, 2006; Freeman & Velamuri, 2008; McWilliams & Siegel, 2001). Furthermore, the relationship between business and society can be seen from Wood's (1991) Corporate Social Performance (CSP) model in which corporations are expected to meet the expectations of societies. The relationship between business and society can also be seen from the work of Freeman (1983) who developed a stakeholder theory in which he emphasized that Corporations have number of stakeholders who can affect or can be affected by the business decisions. According to him, stakeholders are "any group or individual who can affect or affected by the achievement of the organizations objectives" (Freeman, 1983).

CSR is a voluntarily approach and companies use it to contribute towards the society. Kotler & Lee, (2008) have suggested that

*"CSR being a voluntarily management approach should do their business activities aimed at contributing for the well-being of societies".*

The companies while designing their CSR strategies should be aimed at addressing the social and environmental concerns in their activities (Commission of the European Communities, 2001). The commission stated that it is equally important for the companies to satisfy the internal as well as external stakeholders.

The understanding and practice of CSR among most of the developing nations is very limited and only charitable activities are labeled under CSR umbrella (Jariko, Børsen, & Jhatial, 2016). It is argued that developing nations have different social, political, and economic problems and this can be the reason that their CSR practices are mostly connected to philanthropic attributes (Blowfield & Frynas, 2005; Jamali & Neville, 2011; Naeem & Welford, 2009). These authors have identified that the CSR activities among most of the developing countries are based on

humanitarian and charitable grounds. More recently, Jariko, Børsen, & Jhatial (2016) assert that philanthropic CSR is the only small fraction of CSR landscape and does not fulfil the entire CSR framework. These authors suggest that CSR in its scope among Pakistani companies needs to be widened. Further, they add that UNGC policy guidelines, public private partnership, collaborations with NGOs, and civil society can be effective ways of strengthening CSR in Pakistan.

Chambers, Chapple, Moon, & Sullivan, (2003) studied fifty companies' websites in seven countries of Asia and identified that the CSR levels in these countries are much behind as compared to their Western counterparts. Moreover, these authors have explained that most of the companies while reporting their CSR activities were bound with their respective national factors including "social, political, and economic configurations".

Furthermore, Jamali & Mirshak, (2007) highlighted the scope of CSR in a managerial perspective and identified that managers in today's competitive world are becoming aware of and understand the importance of CSR. Furthermore, Karam & Jamali, (2012) studied gender institutions in the Arab Middle East and identified that through CSR activities companies can contribute positively towards solving the social issues. Similarly, according to Jamali, (2014) CSR in Middle East is not yet fully addressed and developed in accordance with international standards and perspectives.

In addition to that, Naeem & Welford, (2009) with the help of questionnaires distributed among the professionals working in some of the Pakistani and Bangladeshi companies identified that multinational companies were comparatively better in CSR reporting as compared to their local listed companies of Bangladesh and Pakistan. Furthermore, these authors have added that global compact principles (GCP) are not fully addressed in the mainstream business activities of Pakistani and Bangladeshi companies. For example, "Human rights abuses continue, the environment is being degraded, labor is often subject to abuse and exploitation and anti-corruption is pervasive" (Naeem et.al, 2009, p. 121).

Visser, Matten, Pohl, & Tolhurst (2010) have identified that most of the developing nations are confronted with serious socio-economic & political problems. More specifically, Visser and his colleagues have argued that very frequent problems in the developing nations are low per capita income, human and social problems.

As mentioned, the literature on CSR reflects that CSR is a complete business strategy, which covers its main dimensions for example, economic, legal, ethical, and philanthropic aspects.

The literature on CSR published in Western countries got more momentum and different authors contributed significantly. For example, Bowen (1953) initiated the debate on the role of businesspersons in the society. According to him CSR is

*"Obligations of the businessmen to pursue those policies, to make those discussions, or to follow those lines of actions which are desirable in terms of the objectives and values of our societies"*.

Davis (1960) explained that businesspersons possess a central positions in the organizations and their decisions effect all the stakeholders. Frederick (1960) asserted that business resources should be used for the social goals aiming at contributing significantly to build wellbeing of the societies. Carroll in (1979) developed the four- part definition of CSR. Carroll is believed as the pioneer in giving the theory of CSR. According to Carroll CSR is:

*“social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point and time”*  
(Carroll, 1979, p. 500).

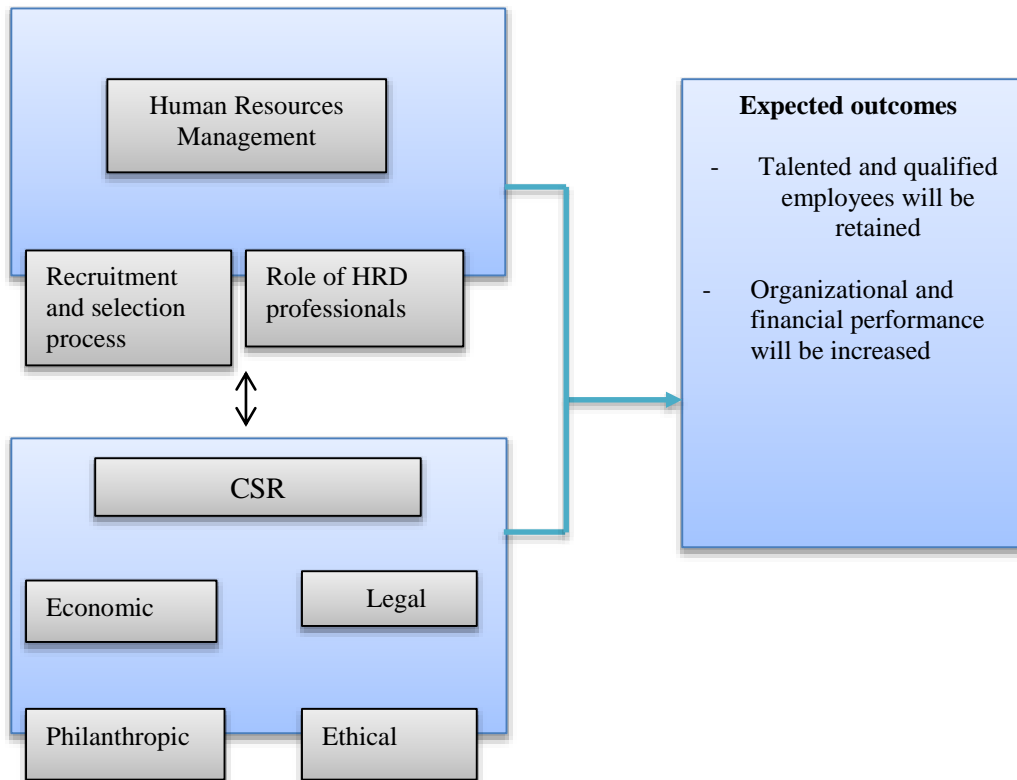
Wood (1991) got the reflection from the Carroll’s work and developed the corporate social performance model. In this model wood identified, that CSR can be understood with the help of ‘Institutional, Organizational, and Individual level’. Wood believes that CSR is “the basic idea of CSR is that business and societies are interwoven rather than distinct entities”. Wood through this model identified that business, societies are related to each other, and they cannot be separated. Similarly, Freeman (1984) took a step ahead and offered a stakeholder theory with the purpose to make the relationship between business and societies wider. Freeman gave a new look to CSR and offered his own theory namely stakeholder theory of CSR. According to Freeman, “Any group or individual who can affect or be affected by the achievements of firms objectives”. He further elaborates the categories of stakeholders and categories them as internal and external stakeholders.

### **Conceptual framework: The HRM---CSR nexus**

As in this study, the role of HR professionals for the enhancement of CSR is under discussion. In this session of the paper, we present the role of HR professionals in CSR.

The literature published in the context of Pakistan on HR and CSR indicates that these concepts need to be widened in its scope. Looking at the literature in the context of Western countries where HR and CSR have emerged and are getting more popularity. Hence, it can be said that a gap exists between HRM and CSR. In order to fill this gap the present study has developed a conceptual framework that portrays the link between HR and CSR. The proposed framework may provide opportunity to Pakistani firms to get better reflection on HR and CSR nexus.

The authors of this paper have proposed a conceptual framework that can help developing the HR and CSR nexus. The framework is illustrated in figure 1. In the proposed framework the HR department and its role in CSR is discussed in detail. All the boxes and the features are elaborated in detail.



**Figure 1: A proposed Conceptual Framework**

In the proposed framework, two main components HR and CSR are discussed separately and it will be discussed that how HR promotes CSR. Based on the theoretical and empirical studies the possible outcome of the proposed framework is discussed.

Human resource practices comprising many areas for example, recruitment, selection, training, compensations, and industrial relations. Dessler (2011) explains that HRM policies and practices involve in carrying out the ‘people’ or human resource. Dessler identified that with careful recruitment process, the potential candidates can be discovered and thus organizations can have the loyal and committed workforce that in long run will provide benefits.

In this regard to make the recruitment process more effective and to discover the potential candidates HR department has to play a central role and thus the skilled, leaders oriented and qualified managers can be on the key positions in HR department. For example, Beer (1984); Costen (2012); McGraw (2013) have explained that a careful process of recruitment and selection help in finding the quality workforce. Further, these authors have added that recruitment and selection process helps in identifying the skills, competencies, and potential of employees.

## HRD Professionals Role in CSR

The link between HR and CSR can be examined from a number of reasons. For example, HRM promotes CSR culture and helps organizations to make their employees committed to initiate CSR activities (Bowen & Ostroff 2004). HRM plays important role in promoting CSR (Bučiūnienė & Kazlauskaitė 2012, Inyang, Awa et al. 2011). These authors assert that HRP helps organizations with those strategies that can help in strengthening and promoting CSR activities.

Furthermore, many scholars through theoretical and empirical studies have reflected upon that HR professionals take leading roles in initiating CSR activities. For example, Bučiūnienė & Kazlauskaitė (2012), Sharma, Sharma, & Devi (2011) have identified that there is a relationship between HRM and CSR and HR professionals can contribute in initiating CSR activities and thus organizations can have both social and economic benefits. According to, Zappalà & Cronin (2002) "HR can be a tool to implement CSR principles". These authors add that HR departments through which organizational policies and practices are designed can help in initiating CSR activities. HR skills are highly important and very helpful in achieving and implementing CSR objectives (Kakabadse, Rozuel, & Lee-Davies, 2005; Lenssen et al., 2009). In order to achieve the positive aspects of CSR, HRM could be the driving force (Lam & Khare, 2010). CSR performance could be an effective tool for companies to maintain a positive relationship with the employees (Baek & Kim, 2014; Kim, Lee, Lee, & Kim, 2010).

Further, based on empirical data of 280 firms operating in Dubai it was found that;

*"CSR has positive relationship with all three measures of organizational performance: financial performance, employee commitment, and corporate reputation" (Rettab, Brik, & Mellahi, 2009, p. 371).*

Some researchers have investigated HRM, CSR, and the relationship between them for example, Inyang, Awa, & Enuoh (2011); and Lam & Khare (2010) through literature review identified that HR professionals take leading role in initiating CSR activities. These activities include:

*"educating employees on the value of CSR, developing responsible and sustainable practices, and communicating CSR activities to other stakeholders".*

Fenwick & Bierema (2008) by using literature study, document analysis, and semi structured interviews with HRD managers found that:*"engaging HRD professionals, their expertise and services can help in achieving CSR objectives and this relationship can further become strong if it gets support from top management"*.

Bučiūnienė & Kazlauskaitė (2012) through a Cranet survey also found that "Organizations who are engaged in CSR related policies have better results as compared to those who are not engaged in CSR activities". These authors add that the role of HRM managers is very important in promoting CSR culture and success of any organization depends on the enlightened, skilled, and capable leadership.

European commission (2001), and World Business Council for Sustainable Development, (1999) have initiated certain policy guidelines which can help companies to address CSR

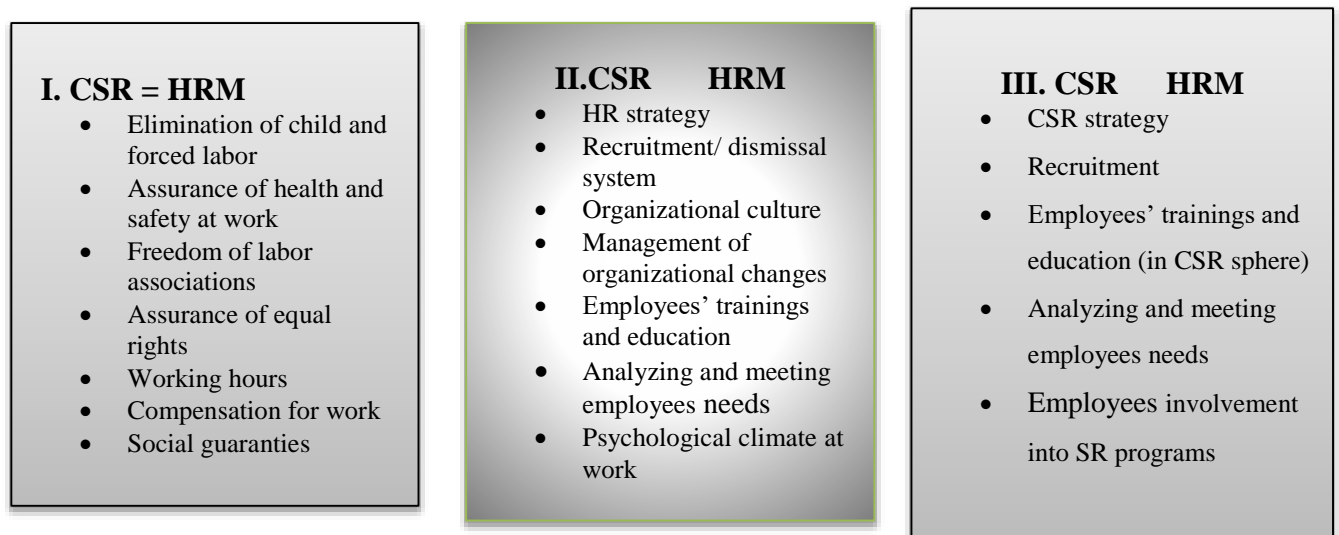


activities in their mainstream businesses HRM practices can help in solving organizational and social issues. According to World Business Council for Sustainable Development;

*“CSR for any organizations should be aimed at behaving ethically and their stakeholders including families, communities, and societies have to be treated balanced” (World Business Council for Sustainable Development, 1999)*

The above literature and empirical evidences reflect that HR professionals can play a leading role in promoting CSR. Organizations engaged in CSR related activities have both financial and organizational benefits. Furthermore, figure 3 that originally was developed by Melynyte & Ruzevicius (2008) portrays the link of HR and CSR.

This figure will be used to illustrate how HR and CSR are linked and how HR can promote CSR.



**Figure 3: Links between HR and CSR**

In the figure, the first box reflects the CSR functions identical to HRM and provides a detail account of those activities and behavior, which makes a link between CSR and HRM. For example, non-acceptance of intolerant behavior with employees and elimination of forced and child labor can be associated with CSR and HR nexus. Providing health and safety measurements also addresses both CSR and HR concerns. In addition, the first box also reflects upon addressing the collective bargaining where organizations and employees can work in collaboration to resolve the issues. The other striking feature in the first box is also about equal employment opportunity without any kind of discriminations. Education and communication can play a central role in developing HR and CSR nexus (Lam & Khare, 2010).

Hence, it can be said that CSR and HR have identical functions and can be linked with CSR and HR nexus.

The second box of the figure portrays that how HRM functions can make impact on CSR. The features in the second box suggest HR functions for example code of ethical conduct are also the identical to CSR functions. In addition, the recruitment and selection of employees on merit and under ethical code of conducts also reflect the HR and CSR nexus. The remaining features of the second box entails that sharing of knowledge, developing trust between managers and employees, initiating changes and assuring rights of employees fall under ethical code of conducts. Hence, it can be said that HR functions have impact on CSR and the both can be linked together as a nexus. Companies' vision, mission and value statements aligned with CSR driven activities can be effective ways of promoting HR and CSR nexus (Ordiz, 2003, Lyon, 2004).

Some authors have identified that organizational policies towards CSR initiatives help in increasing the job satisfaction and employees become more motivated. For example, Kundu & Gahlawat (2015) and Greening & Turban (2000) have asserted that socially responsible HR practices influences employees performances. These authors add that organizations CSR policies and programs attract the employees to stay loyal and committed.

Consequently, the role of HRD is becoming crucial in developing CSR frameworks. For example, Garavan & McGuire, (2010) have identified that HRD plays a central role in facilitating CSR, SD, and ethics among organizations. These authors assert that contribution of HRD is associated with resource-based view of the firm where the resources of companies can be utilized for value creation. Further, these authors add that those organizations which pursue the social initiatives can achieve the competitive advantages and achieve the sustainable goals in a more robust and ethical ways. W. S. Becker, Carbo, & Langella (2010) and Agrawal (2007) have stressed that HRD helps in utilizing organizational resources in a way that helps in responding the quick and ever changing conditions of societies and environment. These authors add that people factors are the key driving force in embedding CSR activities.

The third box of the figure describes that CSR functions can make influence HRM. This can be seen from the features available in the box. For example, in CSR strategy the inclusion of employees as the key stakeholders can be the driving force for initiating and implementing CSR. The other feature in the box also entails that socially responsible organizations have the potentials to hire the meritocratic candidates that can help organizations to fulfil their objectives. The last feature of the figure reflects that effective training and development programs allow employees to learn ethical values, which can help in initiating and implementing HR and CSR nexus.

Furthermore, according to Melynyte & Ruzevicius (2008, p.29) "the framework aims to identify the links between CSR and HRM and to use it for seeking strategic objectives of organizations". The figure reflects that HRM and CSR link can be seen in three groups including "CSR functions identical to HRM functions, HRM functions making impact on CSR, and CSR functions making direct and indirect impact on HRM" (Melynyte & Ruzevicius, 2008).

The link between HRM and CSR can help organizations in increasing financial and social performance (Greening & Turban, 2000; McWilliams & Siegel, 2001; Orlitzky, Schmidt, & Rynes, 2003). Rodrigo & Arenas (2008) with the help of in-depth study demonstrated that it is "indeed workers with a positive attitude following CSR program implementation". These authors identify that HR managers can enhance the CSR initiatives by improving the better

performance. Employees in return can help companies to initiate those CSR activities resulting benefiting financially, socially, and environmentally. Liebowitz (2010) has suggested that:

*“the idea is that the management of a company hires capable people and treats them well, then those employees will be more inclined to take better care of the planet” (Liebowitz 2010, p. 50).*

The conceptual framework of HR and CSR nexus proposes main activities for relating two conceptions that can help companies to address and implement in the way of seeking organizational objectives.

The authors of this study believe that the proposed framework will provide the following outcomes:

### **Talented and qualified employees will be retained**

The nexus of HR and CSR helps organizations and employees to work together and provides an opportunity to identify those managers who are capable and can contribute towards the betterment of organization and society at large (Kwan & Tuuk, 2012) .

### **Organizations social and financial performance will be increased**

The organizations with CSR engagements achieve both social and financial objectives. A large body of literature have portrayed that a business case of CSR strengthens a relationship between Corporate Social Performance (CSP) and Corporate Financial performance (CFP). Companies that are engaged in CSR activities have positive effect on both CSP and CFP (Griffin & Mahon, 1997; Margolis & Walsh, 2003). Margolis & Walsh, (2003) based on 127 empirical studies have found positive link between CSP-CFP links. CSR activities positively affect organizations and thus such activities help them in increasing in their social and financial performance (Orlitzky and Swanson, 2006; Beurden and Gossling, 2008; Lindgreen et al. 2009; Margolis and Walsh, 2003 Orlitzky, 2005).

### ***An empirical perspective on the HRM---CSR nexus: HR professionals understanding of HR and CSR link in PSO***

To empirically illuminate the conceptual framework presented above the authors used in-depth interviews with PSO managers. Pakistan State Oil (PSO) is one of the large oil marketing and distributing company of Pakistan. In its annual report of 2015 it is stated that PSO is:

*“The largest Oil Marketing Company of Pakistan, PSO serves around 3 million customers every day across the entire economic value chain with over 3500 retail outlets and controls 74% of the country’s oil storage capacity. It is involved in import, storage, distribution and marketing of a range petroleum products including gasoline, diesel, fuel oil, jet fuel, LNG, LPG, CNG and petrochemicals” (PSO, progressing towards prosperity.2015).*

The following key research questions were raised in spirit of getting deeper understanding of HRP and CSR among managers of PSO:

I. What is the overall understanding of HR and CSR among PSO staff?

II. How HR and CSR managers in PSO see the link between HRM and CSR

III. How HR professionals in PSO see their role in promoting CSR?

The reason behind using in-depth interviews was to get deeper understanding from the managers of PSO. For example, Boyce & Neale, (2006); & Mears, (2012) have narrated that researchers use in-depth interviews to get more and detailed account of information. These authors have further added that interviewers and respondents' work in collaboration that helps the researchers to acquire required amount of data.

During in-depth interviews with key personnel of HR department and CSR, it was identified that HR managers had different understanding and perception about HR and CSR link. Most of them were not fully aware about CSR discourse. For example, in response to first two questions<sup>1</sup> e.g. "What is the overall understanding of HR and CSR among PSO staff and "How HR and CSR managers in PSO see the link between HRM and CSR". The following statements were noted:

**One of the senior HR managers of PSO narrated that;**

*"I think HR and CSR are two different contesting concepts and have no clear link with each other"*

**Another manager asserted that;**

*"Well, there could be a link between HR and CSR but in PSO these two concepts are treated differently"*

**The senior HR managers narrated that;**

*"HR is broad term and has many functions. CSR in PSO is separate department"*

The above empirical evidences indicate that managers of PSO are unaware about the HR and CSR link. The managers interviewed clearly stated that HR and CSR are separate topics. However, the literature has revealed that HR and CSR nexus plays a central role in CSR initiatives. For example, Benjamin J. Inyang et al. (2011) have identified that the existence of the nexus between the two concepts and explain that a link between HR and CSR combines strategic business decisions aimed at unlocking the human capital of the organizations.

In response to how HR professionals in PSO see their role in promoting CSR.

**Senior manager of PSO said;**

*"I think, HR professionals can play an important role in initiating CSR activities. HR managers are the decisions makers and their decisions affect both company and other stakeholders"*

**Another senior manager of HR department said;**

*HR professionals can be very useful in imitating and strengthening CSR activities. HR managers have the resources which can be utilized to streamline CSR activities into business activities"*

**Another manager said;**

*“I believe that HR professional have the potential to promote CSR mechanism into main stream business”.*

The above empirical evidences reveal that managers can play a central role in initiating and implementing CSR. A number of authors have discussed that HR professionals have the capacity to build CSR culture within organizations. For example, Collier & Esteban, (2007) have asserted that organizations with good HRM system emphasizing on employees commitment and empowerment can be very useful in strengthening CSR. Buciuiniene & Kazlauskaite (2012), Lam & Khare (2010), Inyang, Awa et al. (2011), and Sharma, Sharma et al. (2011) have explained that HR professional have the potential and skills which can be used as driving force for promoting CSR. These authors further suggest that a link between HR and CSR can help organizations to achieve both financial as well as organizational benefits. A nexus between HR and CSR can lead in organizational performance, financial performance, employee commitment, and corporate reputation (Rettab et al., 2009).

Inyang et al., (2011) identified that HR professionals take leading role in initiating CSR activities. These activities include *“educating employees on the value of CSR, developing responsible and sustainable practices, and communicating CSR activities to other stakeholders”.*

The findings of the paper suggests that HR and CSR nexus is missing in Pakistani context particularly in PSO. CSR functions identical to HRM are treated separately. HR and CSR functions are have separate implications among Pakistani context. However, the managers of PSO believe that HR professionals can play a significant role in implementing and initiating CSR activities.

Hence, the rationale of this study was to identify that key role of HR professionals in promoting CSR among Pakistani context. The published literature in developing nations including Pakistan entails that HR and CSR nexus is missing. Therefore, the authors develop a detailed conceptual framework to present that how HR and CSR nexus can be developed and what can be the possible outcome of the HR and CSR nexus. The authors believe that proposed framework is a novel idea in Pakistani context and eventually would bring the positive consequences for the public companies of Pakistan in general and PSO in context.

**CONCLUSION AND FUTURE RECOMMENDATIONS**

The authors of this paper have concluded that HRM and CSR understanding among Pakistani companies are limited and have not been fully developed in accordance with international standards. Pakistan has experienced a number of socio-economic problems right from the colonial epoch. These problems are cultural, legal framework of corporate structure, rules and regulations regarding employee's rights and possibly a lack of awareness of the benefits of coupling HR and CSR both for the firm, employees and the society at large.

There appears a dearth of HR and CSR nexus in Pakistani context. These two concepts are treated separately and managers working in Pakistani companies are not much aware about HR and CSR link.

HR professionals can take a leading role in promoting CSR. Therefore, in our conclusion we have identified that the past literature and empirical studies have shown the possibility HR role in promoting CSR. It is also concluded that HRD in today's world is very important; employees prefer to work for organizations aligned with their values. It is also seen that CSR oriented organizations are more efficient of attracting, motivating and retaining their internal stakeholders (the employees), enhancing their self-concept and giving rise to greater job satisfaction. The company under investigation has number of obstacles and problems that are not helping it to coup in accordance with international standards. The empirical evidence concludes that managers treat HR and CSR separate concepts. However, the HR professional of PSO believe that HRD can play a significant role in embedding CSR in the mainstream business.

In the end, we also conclude that a good relationship with employees also allows a company to gain additional benefits including improving their public image increasing employee morale and support from the community. We suggest that PSO can develop a nexus of HR and CSR with the following ways:

- Alignment of CSR functions identical to HRM can provide the development of HR and CSR nexus in PSO
- HRM functions for example, merit based recruitment and selection and empowerment of employees can make impact on CSR and HR nexus.
- CSR functions for example, employees' engagements in CSR activities, merit based recruitments, and training programs can make impact on HRM functions that can lead towards the development of HR and CSR nexus.
- Talent acquisition and development, empowerment of employees, merit based performance and rewards, ethics management can build HR and CSR nexus more effective.

The authors believe that a strong commitment and effective strategies are required by the public companies of Pakistan particularly PSO in context. We also suggest that more studies that are empirical based are needed to explore the possible obstacles the public companies of Pakistan are facing in integrating CSR into HRD.

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