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Unveiling corporate social responsibility in Mongolia: a comprehensive exploration of executive managers' perspectives, driving forces and outcomes in CSR initiatives

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Abstract

Purpose – This study aims to examine corporate social responsibility (CSR) dynamics from the perspective of Mongolian executive-level managers – focusing on their perceptions of CSR concepts, motivations and perceived outcomes – to extend existing CSR frameworks by identifying potential relationships among context-specific CSR responsibilities, motivations and business goals.

Design/methodology/approach – A qualitative approach was used, with in-depth interviews conducted with 31 executive managers across 12 industries. A total of 52 CSR initiatives were explored and thematically analysed.

Findings – By identifying 22 CSR motivations and integrating them with Carroll's CSR pyramid through the lens of Maslow's hierarchy of needs, this study proposes an extended CSR pyramid that links organisational motivations to CSR responsibilities. The framework explains how CSR priorities may evolve as organisations' needs change, offering insights applicable across different institutional contexts. It also reveals a consistent organisational decision-making pattern in CSR engagement and proposes a CSR decision-making model in which motivations initiate CSR actions.

Research limitations/implications – The primary limitation lies in the reliance on self-reported perceptions regarding the effectiveness of CSR initiatives.

Practical implications – Practically, the extended CSR pyramid offers significant value. It can serve as a diagnostic tool for CSR maturity, helping Mongolian organisations identify whether their actions are driven by basic operational needs (e.g. stabilising their operation) or higher-order aspirations (e.g. social equity and sustainability). By understanding that CSR motivation stems from varying organisational needs, practitioners can design programs aligned with their firm's strategic readiness. For instance, firms driven by basic needs may prioritise compliance or cost-saving green initiatives, while those at higher levels of development may pursue transformative, purpose-led initiatives. Additionally, the model strengthens stakeholder communication by clarifying CSR intent and maturity. Finally, Mongolian policymakers and industry bodies can use this framework to develop CSR promotion strategies tailored to each business's unique developmental stage and motivational profile.

Originality/value – This is the first qualitative study on CSR conducted in Mongolia, offering a more dynamic understanding of CSR engagement in developing countries.

Keywords CSR drivers, CSR pyramid, CSR in developing countries, CSR motivators, Maslow's hierarchy of needs

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1. Introduction

The concept that businesses bear responsibility for societal well-being dates back to the 1800s (Janowski, 2020). Corporate social responsibility (CSR) has since evolved alongside shifting societal and environmental dynamics, mirroring the shifting expectations of each era (Agudelo *et al.*, 2019; Singh and Misra, 2022). Today, businesses are increasingly called upon to address complex global challenges (UNDP, 2015). The UN Global Compact (2023) emphasises CSR's role in addressing societal and environmental needs and advancing the Sustainable Development Goals. While CSR's societal benefits are widely acknowledged, its impact on firm performance and the motivations underlying its adoption remain ambiguous. Understanding these dynamics is crucial for stakeholders who want to promote and integrate CSR into business practices.

Despite extensive CSR research, significant gaps remain. First, there is a limited understanding of the CSR concept, its motivations and outcomes in developing countries, as most research has focused on developed nations with distinct institutional and socioeconomic conditions (Jamali and Karam, 2018). According to Pisani *et al.* (2017), only 7% of 494 CSR research has examined developing countries, including four in Asia: Bangladesh, Pakistan, Cambodia and Myanmar. Similarly, Ali *et al.* (2024) found that developing economies remain underrepresented, with only three studies on developing Asian countries, despite 30.37% of 135 studies focusing on Asia. CSR practices in developing countries tend to be shaped by institutional voids – weak regulation, limited enforcement and underdeveloped civil society – resulting in philanthropy-oriented practices, in contrast to the formalised, institutionalised and strategically driven CSR prevalent in developed contexts (Ali *et al.*, 2024; Idemudia, 2011; Jamali and Karam, 2018; Pisani *et al.*, 2017; Visser, 2008). Second, findings on CSR's effects on businesses remain inconsistent (Al-Shammari *et al.*, 2022; Dartey-Baah and Amoako, 2021). Some scholars argue that CSR outcomes vary due to its complexity and diversity of underlying motivations (Petrenko *et al.*, 2016). It remains unclear whether CSR motivations directly influence outcomes (Dartey-Baah and Amoako, 2021) or whether additional factors are required to translate CSR activities into positive results (Petrenko *et al.*, 2016). Within the Mongolian context, to the best of the researcher's knowledge, the sole empirical study to date, Ho *et al.* (2019) examined the relationship between CSR initiatives and financial performance in commercial banks using quantitative data. Although this study provides evidence that CSR can enhance financial outcomes, it does not address how Mongolian organisations conceptualise CSR, what motivates their engagement or how managers perceive its organisational and societal effects. Consequently, the conceptual, motivational and perceptual CSR dimensions across industries remain underexplored in Mongolia. This study addresses these gaps by qualitatively examining CSR in Mongolia, focusing on organisational motivations and outcomes and the potential links between CSR drivers and outcomes.

Mongolia offers a valuable context for understanding how hybrid institutional pressures, resource dependence and post-socialist legacies shape CSR. Economically, the country remains heavily reliant on the mining sector, while other industries lag behind (World Bank, 2025). Socially and culturally, mining expansion has frequently conflicted with traditional pastoral livelihoods (OECD, 2025; UNDP, 2022). Politically and institutionally, Mongolia's transition from a centrally planned socialist economy to a market-oriented system has resulted in regulatory instability and evolving governance structures (Rossabi, 2005). Local governments and international development partners increasingly urge firms to uphold environmental, social and human rights standards, adding normative pressures beyond purely economic incentives (OECD, 2025; UNDP, 2022; UN Global Compact, 2023; World Bank, 2025). Firms navigate these institutional weaknesses through voluntary initiatives that often compensate for governance gaps (Jamali and Karam, 2018). Studying CSR in such contexts offers opportunities to refine existing theories on how CSR is interpreted and implemented under conditions of institutional transition, family-oriented nomadic heritage and resource dependence while also enabling the development of new theoretical insights into the organisational processes underpinning CSR initiatives (Crane *et al.*, 2016). Conceptualising CSR as a decision-making process provides deeper insight into how CSR initiatives emerge and evolve. Thus, Mongolia represents a valuable case for understanding CSR as a response to structural economic and social challenges.

This study contributes to debates on sustainable business practices in Asia by examining the motivations driving firms' contributions to economic growth with social and environmental responsibility. By investigating CSR in Mongolia, the study offers insights relevant to sustainable development policy across the Asia–Pacific region and highlights the role of CSR in advancing the United Nations Sustainable Development Goals. Findings on CSR motivations and perceived outcomes in Mongolia provide practical implications for business practitioners, policymakers and international development agencies seeking to design effective CSR frameworks in comparable developing countries.

2. Theoretical background

In 1991, Carroll introduced the CSR pyramid and defined CSR as a multifaceted framework encompassing social, economic, environmental, voluntary and stakeholder dimensions (Carroll and Shabana, 2010). Carroll (1991) outlined four CSR pillars, emphasising that businesses are accountable for financial performance and legal compliance, as well as for ethical behaviour and philanthropic contributions to societal welfare.

This study adopts Carroll's CSR pyramid as it is the only model that reflects CSR practices and elucidates its construct in the business world (Baden, 2016; Carroll and Shabana, 2010; Visser, 2008). It also responds to calls to further theorise context–construct interactions (Baden, 2016; Visser, 2008) by exploring how global CSR frameworks are locally reinterpreted within Mongolia's institutional environment.

2.1 The CSR pyramid

Carroll's (1991) CSR pyramid delineates the hierarchical nature of CSR and its significance for organisations (Carroll and Shabana, 2010). Economic responsibilities constitute the foundation, emphasising profitability as essential for organisational survival and the fulfilment of subsequent obligations (Carroll, 1991). Legal responsibilities occupy the second tier, reflecting societal expectations that firms pursue economic objectives within established legal frameworks. Ethical responsibilities encompass social norms and values that are not codified into law but are nonetheless expected by society. At the apex, philanthropic responsibilities involve voluntary activities that reflect a company's commitment to the community and to improving the quality of life (Carroll, 1991).

Scholars argue that CSR priorities vary across contexts (Jamali and Karam, 2018; Visser, 2008) and are shaped by societal expectations (Baden, 2016). Visser (2008) restructured the CSR pyramid for developing countries, maintaining economic responsibility as the foundation, while contending that socioeconomic constraints and weaker regulatory environments often compel businesses to compensate for governance deficiencies; consequently, philanthropic responsibilities are prioritised over legal and ethical obligations. In contrast, Baden (2016) proposes a model in which ethical responsibilities form the foundation, followed by legal, economic and philanthropic dimensions, reflecting heightened societal demands for ethical conduct. Both alternatives challenge the original order but preserve the concept of layered CSR pillars (Visser, 2008; Baden, 2016).

Despite their contributions, all three models have been criticised for limited practical applicability, insufficient sensitivity to contextual and cultural variation (Crane *et al.*, 2014) and a lack of consideration of the motivational factors driving CSR initiatives in practice (Porter and Kramer, 2002). Crane *et al.* (2016) argue that country-specific research can refine CSR frameworks by illuminating how companies enact responsibilities within distinct institutional contexts. Accordingly, this study examines CSR prioritisation and motivation in

Mongolia, a developing, resource-dependent economy, integrating motivational dimensions into the CSR pillars to clarify the links between CSR practices and corporate objectives.

2.2 CSR motivation and outcome

Stakeholder and institutional theories are widely used to explain motivation. Studies grounded in stakeholder theory suggested that CSR is largely shaped by market and stakeholder pressures and identified the CSR motivations as maintaining employee satisfaction, employee branding (Boehncke, 2023; Dartey-Baah and Amoako, 2021; Shnayder *et al.*, 2016), improving corporate or brand reputation and gaining trustworthiness or competitive advantages (Cordeiro *et al.*, 2017; Dang *et al.*, 2020; Foss and Klein, 2018; Ijabadeniyi and Govender, 2023; Li *et al.*, 2016; Mitra, 2021; Shnayder *et al.*, 2016). In contrast, institutional theory proposes that CSR is shaped by external pressures from institutional environments, including regulatory frameworks, societal norms and industry standards. Consequently, motivations for CSR include pressures from international organisations, the media and community well-being (Iyer and Jarvis, 2019), as well as addressing social provision gaps and alleviating poverty (Dartey-Baah and Amoako, 2021; Jamali and Karam, 2018; Sahasranamam *et al.*, 2020).

Although CSR is a global phenomenon, the motivations for CSR differ between developed and developing contexts. In developing countries, CSR initiatives emerge from social needs and are driven by community-oriented motivations, reflecting distinct local institutional realities (Ali *et al.*, 2024; Idemudia, 2011; Pisani *et al.*, 2017). For example, in contexts such as Nigeria's oil industry, CSR frequently takes the form of infrastructure or education initiatives that compensate for weak government provision (Idemudia, 2011). In developed contexts, however, Pisani *et al.* (2017) and Ali *et al.* (2024) found that firms engage in CSR initiatives to enhance corporate reputation, improve financial performance, attract investment and manage stakeholder relationships. Furthermore, Pisani *et al.* (2017) highlight individual-level motivations, such as managers' perceived interests, professional altruism and commitment to ethics, which span both developed and developing contexts.

At the level of individual psychology, Maslow (1954) proposed that motivation progresses through five hierarchical needs: physiological, safety, affiliation, self-esteem and self-actualisation. As lower-level needs are satisfied, higher-level needs become increasingly salient (Maslow, 1954).

In this study, the firm is conceptualised as a "collective actor" with an identity, motivations and developmental phases analogous to those of individuals (King *et al.*, 2010). Maslow's hierarchy is applied as a heuristic metaphor rather than a literal psychological model. Accordingly, corporate needs can be mapped as follows (Tuzzolino and Armandi, 1981):

(1) Physiological → financial viability;

(2) Safety → stability and risk management;

(3) Affiliation → stakeholder relationships;

(4) Esteem → reputation and corporate identity and

(5) Self-actualisation → organisational legacy and societal contribution.

Importantly, the term "needs" does not imply that firms possess human-like psychological states. Rather, the hierarchy organises corporate goals across different stages of organisational development, enabling a clearer categorisation of CSR motivations. Therefore, the first three levels are collectively referred to as basic needs, while esteem and self-actualisation reflect value-driven motivations.

Research on CSR outcomes shows mixed results. While some studies indicate that CSR engagement improves organisations' performances, including financial performance, reputation and employee retention (Bhattacharya *et al.*, 2020; Cordeiro *et al.*, 2017; Ho *et al*., 2019, 2024; Iglesias *et al*., 2018; Kang *et al*., 2010), others suggest that CSR activities may have insignificant impacts on firm performance (Lee *et al*., 2015; Srisuphaolarn, 2013).

Despite growing interest in this field, there remains a paucity of research examining the relationship between CSR motivation and its impact on developing countries. This gap in the literature is significant, as it raises questions about whether leveraging CSR as a strategic tool or a philanthropic gesture yields different outcomes for businesses and communities and how to foster sustained business engagement in CSR. This study addresses these gaps by investigating the primary drivers of CSR and the perceived outcome of CSR activities in Mongolia. It aims to explore the possible relationship between motivations, context-specific CSR responsibilities and perceived outcomes.

3. Method

This study, grounded in the belief that culture shapes social experiences, adopts a relativist perspective to explore the subjective experiences of CSR practitioners in Mongolia. With the approval of the Human Subjects Ethics Committee of Griffith University [1], qualitative research was conducted through in-depth interviews with 31 executive managers across 12 industries. Interviews were guided by semi-structured, open-ended questions, allowing participants to express their thoughts, experiences, values and motivations and to provide comprehensive insights into their understanding of CSR.

3.1 Data collection

In collaboration with the Mongolian Marketing Association, we invited voluntary participants responsible for CSR-related activities across diverse industries and involved in decision-making and execution. The selection criteria did not consider gender, years of experience or educational background.

A group of 31 executive-level managers (Table A1 [2]) was recruited, representing 5 small, 7 medium, 11 large and 9 extra-large enterprises across 12 industries. The average interview duration was 62 min, resulting in a total of 1,924 min of recordings. In total, 52 CSR cases were discussed in which the participants were involved. Interviews were conducted in Mongolian and transcribed and translated into English.

3.2 Data analysis

A thematic analysis was employed to identify patterns within the qualitative data across three core sections: CSR conceptualisation, motivation and outcomes. Keywords were extracted and manually grouped into broader thematic categories reflecting the collective perceptions. These motivations and their characteristics are analysed utilising Maslow's hierarchy of needs and subsequently classified into the four pillars of Carroll's pyramid using the statements outlined in Table A2 [2]. For instance, motivations such as increasing sales and sustaining profitability reflect basic needs for firm survival and are categorised as economic motivations since they focus on maximising earnings.

Finally, the decision-making processes related to CSR initiatives for each company were mapped from participant descriptions to identify commonalities among companies and to explore potential relationships among motivational drivers, perceived outcomes and other influencing factors.

4. Findings

The participants explained the concept of CSR in various ways. Based on the frequently used phrases presented in Table A3 [2], CSR can be defined as follows:

> CSR is a company's voluntary action to contribute to society's well-being and maintain sustainability by creating value for stakeholders. It serves as a strategic tool to improve corporate reputation.

To determine whether Mongolian executive-level managers prioritise CSR activities in line with the pyramids proposed by Carroll (1991), Baden (2016) or Visser (2008), participants' understandings of the economic, legal, ethical and philanthropic dimensions were explored. They were also asked to rank their importance from 1 (highest priority) to 4 (lowest priority) (Table A4 [2]). Some participants expressed the viewpoint that philanthropic responsibility may not apply to every business or be universally beneficial to society; consequently, they chose not to assign a rating:

> . . . Charity activities such as giveaways have more negative impacts than positive ones. Providing poor people with food, clothes, and money makes them lazier. . . . It is a shame that some companies try to promote them as socially responsible by giving food for free for one day or Christmas gifts to orphans (P3 [3]).

Several participants stated that legal and economic responsibility are inseparable and are primary priorities.

> . . . To continue our businesses or to exist, we need to be profitable and operate within the legal framework. Therefore, economic and legal responsibilities are two sides of the same coin. Even if you want to be profitable first and then follow the law, you can't do that (P5 [3]).

Although the mean ratings follow the order suggested by Carroll (1991) – economic (1.1), legal (1.6), ethical (2.4) and philanthropic (3.3) – the narrow gap between economic and legal priorities and participants' descriptions of these as mutually reinforcing indicate that some firms do not experience these responsibilities as strictly sequential. Instead, economic and legal obligations may be viewed as intertwined foundations of responsible business conduct in the Mongolian context.

4.1 CSR drivers and CSR pyramid

Twenty-two distinct CSR motivations were identified and subsequently examined using Maslow's hierarchy of needs. Basic needs – survival, safety and affiliation – reflect organisational requirements for financial viability, stability and stakeholder relationships. Motivations emerging from these needs include increasing sales, increasing or maintaining the customer base, sustaining long-term profitability, reducing costs, building competitive advantage, maximising productivity, managing risk, avoiding misconduct and attracting and retaining talented employees.

Self-esteem needs refer to the desire for self-respect and recognition. In organisational contexts, they relate to cultivating a strong internal culture and organisational identity. Accordingly, the following motivations were identified: top management commitment, owners'/decision-makers' moral values, ethical business culture and employee self-esteem and expectations (e.g. pride in being part of the company).

At the highest level, self-actualisation denotes the fulfilment of organisational purpose, values and societal role. The following motivations reflect this dimension: enhancing brand or firm reputation, contributing to community economic development, meeting community expectations, self-realisation, improving children's well-being, promoting social equity, positively impacting society and advancing environmental sustainability.

Finally, these 22 motivations were aligned with Carroll's CSR pyramid by using the statements outlined in Table A2 [2].

Economic aspect: Nine motivations were categorised under the economic pillar: increasing sales, expanding or maintaining customer base, ensuring business continuity, reducing costs, managing business risk, maximising productivity, attracting and retaining talented employees and building competitive advantage.

Legal aspect: All participants agreed that a responsible company complies with all legal requirements, regardless of its operating sector, size or stage of development. For instance:

> I see legal requirements as the rules we must follow to run our business. It is simple – if we are a part of this community, we have to play by the rules. If everyone disregards the rules, then there will be only chaos (P28 [3]).

This intrinsic motivation to avoid misconduct is driven by internalised moral values and a sense of civic duty. Accordingly, legal compliance is conceptualised as being motivated by the avoidance of misconduct.

Ethical aspect: Participants exhibited more varied interpretations of ethical responsibility than of the economic pillar; 21 participants defined it as "doing the right thing," while others emphasised "not harming others," "keeping promises to clients" and "treating people with respect". Four motivation clusters emerged: the moral values of owners/decision-makers, self-esteem, top management commitment and an ethical business culture.

Philanthropic aspect: Of 52 initiatives, 28 exhibited philanthropic characteristics: 8 environmental initiatives, 14 donations or sponsorships and 6 promoting community sustainable development (economic growth, social equity and health-related initiatives). In total, eight philanthropic motivations emerged: contributing to the economic development of the communities, meeting community expectations, self-realisation, improving the well-being of children, promoting social equity, achieving positive societal outcomes, promoting environmental sustainability and enhancing the brand/firm's reputation. These findings indicate that CSR in Mongolia is largely community-oriented, often compensating for limited government provision, consistent with prior studies (Idemudia, 2011; Jamali and Karam, 2018; Pisani *et al*., 2017). For instance, one participant described a CSR initiative to improve a local road because community members expected a large, well-resourced mining company to contribute to local infrastructure, even though, from the company's perspective, the poor road conditions did not affect its heavy trucks or operations.

While the fundamental structure of these motivations was consistent across industries, the mining sector demonstrated a comparatively stronger emphasis on risk management and community engagement. The four participants representing the mining industry reported motivations, including contributing to community economic development, meeting local expectations, generating positive societal outcomes and managing risk. This illustrates how culturally embedded expectations of reciprocity and community support shape CSR practice in Mongolia.

This classification further indicates that motivations rooted in basic needs align predominantly with Carroll's economic and legal responsibilities. Self-esteem-related motivations align with ethical responsibilities, reflecting firms' pursuit of moral legitimacy and stakeholder expectations that go beyond compliance. Self-actualisation motivations align with philanthropic responsibilities, emphasising long-term social and environmental contributions consistent with organisational values.

Accordingly, an extended conceptual model, the extended CSR pyramid (Figure 1), was developed, integrating Carroll's CSR pyramid with CSR motivations through the lens of Maslow's hierarchy of needs to explain the evolving priorities of CSR in companies. Unlike Carroll's static hierarchy or the reordered versions proposed by Visser (2008) and Baden (2016), the extended CSR pyramid introduces a dynamic motivational layer that links intrinsic needs to the fulfilment of extrinsic responsibilities. Similar to how individuals strive for survival, safety, social, esteem and self-actualisation needs, firms pursue economic stability, regulatory compliance, good relationships with stakeholders, reputation and legacy corporate goals, which can be interpreted as corporate needs (King *et al*., 2010).

The extended CSR pyramid integrates these "needs" with CSR motivations to explain how organisations may progress from fulfilling economic and legal responsibilities to engaging in ethical and philanthropic initiatives. As lower-level organisational needs are met, motivations associated with self-esteem and self-actualisation become increasingly salient, encouraging firms to adopt more socially oriented CSR practices. This integration into CSR hierarchy models

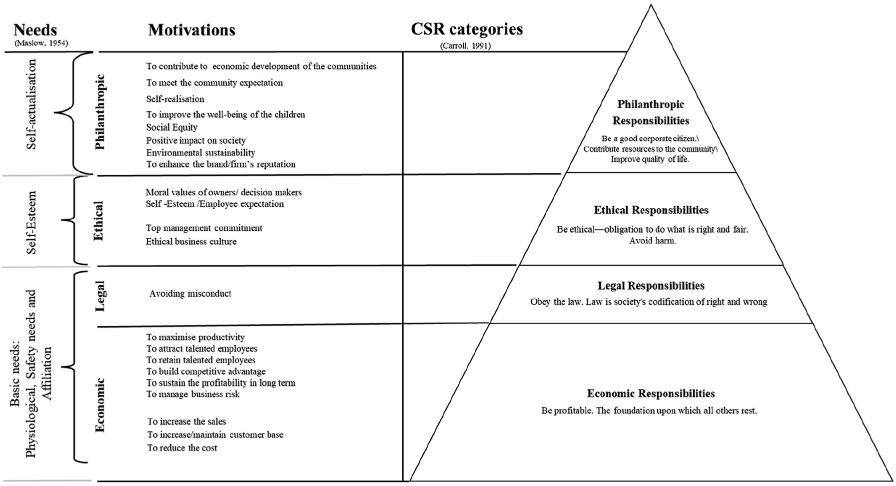

Figure 1. Expanded pyramid of CSR

represents the principal novelty of the extended CSR pyramid, offering a more context-sensitive and theoretically grounded explanation of how CSR priorities evolve within companies.

4.2 Perceived CSR outcomes

Although not all firms assessed outcomes, all participants stated that CSR has a positive influence on businesses, communities or both. Only 21 confirmed that their companies evaluated CSR effects on firm performance but not on communities. Reported reasons for not evaluating CSR included: "*I don't need to measure it; I just wanted to help*" (P5 [3]), "*I don't know how to measure it*" (P3 [3]) and "*Professional assessments are too expensive*" (P11 [3]). Reported outcomes included:

Firm-level perceived outcomes:

(1) Increased sales;

(2) Increased market share;

(3) Improved company reputation;

(4) Improved brand image/reputation;

(5) Cultivation of a loyal customer base;

(6) Ensured business continuity;

(7) Reduced employee turnover and

(8) Improved employee satisfaction.

Community-level perceived outcomes:

(1) A cleaner and safer environment;

(2) Economic development;

(3) A comfortable and safe school environment for children and

(4) More equal opportunity for women.

Participants emphasised that these community benefits were based on internal perceptions rather than community feedback. For example, a mining company implemented a long-term program to support local economic development by providing low-interest loans to local businesses. The company recorded that 70 small enterprises had taken loans. However, it did not assess whether these businesses expanded employment, increased tax contributions or improved other indicators of community economic growth. As loan uptake increased annually, the company assumed a positive impact although this was not empirically verified.

No participant reported negative firm outcomes or CSR abandonment due to high costs or other challenges, yet this absence may reflect limited monitoring rather than the absence of negative effects. Likewise, because none of the companies gathered systematic data on community perceptions, it remains unclear whether community members experienced or recognised these initiatives as tangible benefits.

4.3 CSR decision-making process

Participants described CSR-related decision-making processes within their organisations in a consistent pattern despite variations in organisational size, industry or authority and regardless of who held final decision-making power, as illustrated in Figure 2.

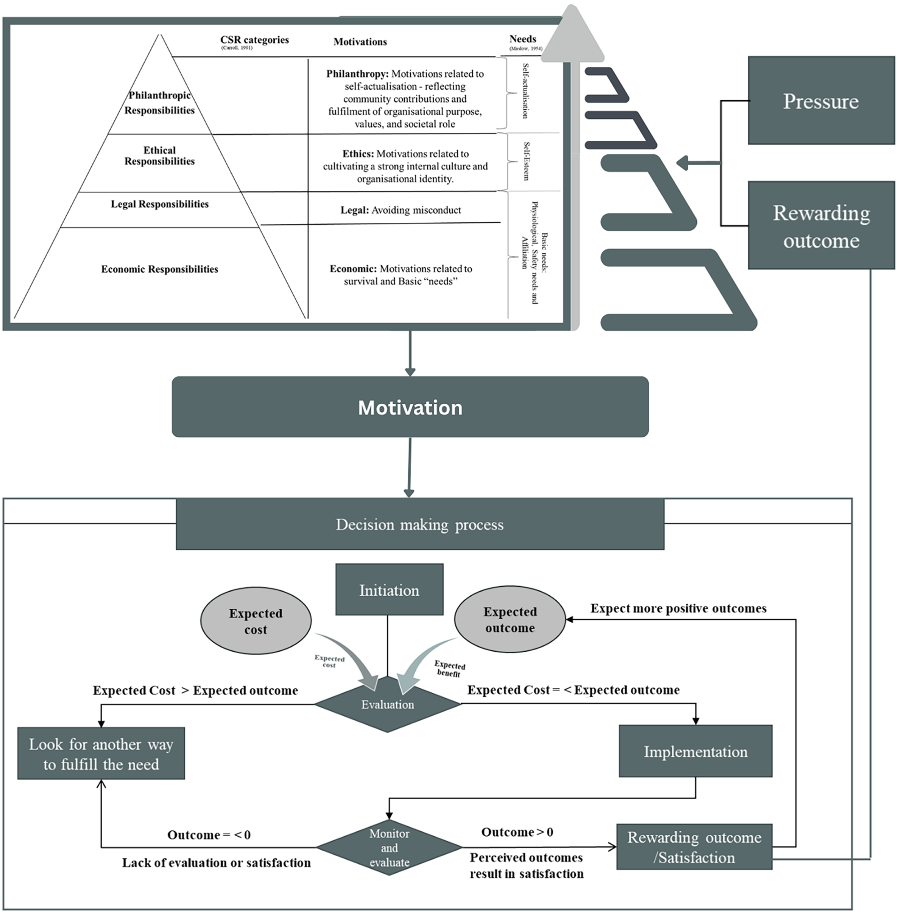

Figure 2. CSR decision-making process

The CSR decision-making process typically begins with motivation, followed by initiation, evaluation, implementation and, finally, monitoring. At the evaluation stage, decisions are primarily based on a cost–benefit analysis of the proposed activity. If the anticipated benefits justify the costs, the initiative moves to implementation.

Notably, when participants perceived or experienced positive outcomes, these were often interpreted as rewarding and associated with a sense of satisfaction. These perceived rewarding outcomes were described as reinforcing CSR engagement. Many participants reported being motivated by the success of prior CSR initiatives, highlighting the cyclical nature of CSR motivation. Participants' narratives align with Maslow's hierarchy of needs, where satisfied needs appear to give rise to new motivational drivers, shaping individual and organisational priorities.

In the context of CSR, such outcomes were described as contributing to continued engagement and enhanced visibility or recognition within the industry. One participant shared a compelling example of this reinforcing cycle: "*We were pleasantly surprised to be nominated as the sustainable leader of the non-banking sector. Although we are not a consulting firm, I now receive many requests for environmental, social and governance and CSR consultations, which motivates us to continue our projects*" (P15 [3]). Another participant reflected on past charity efforts: "*We spent a lot with no real impact because we lacked direction. It was frustrating, so we stopped those activities*" (P25 [3]).

These quotes exemplify how perceived outcomes shape sustained CSR commitment. Across the interviews, such narratives illustrate a feedback pattern in which motivation initiates action, perceived positive outcomes reinforce satisfaction and satisfaction is associated with renewed motivation, reflecting participants' descriptions of Maslow's motivational framework.

5. Discussion

This study explored the dynamics of CSR in the Mongolian context through 31 interviews with executive-level managers discussing 52 CSR initiatives.

First, it was investigated whether these leaders share a common understanding of CSR. Based on the participants' most frequently used phrases, CSR was conceptualised as voluntary actions undertaken by a company to contribute to society's well-being and to maintain sustainability by creating additional value for stakeholders. It was further positioned as a strategic tool for improving corporate reputation.

The study then assessed how Mongolian CSR aligns with established CSR pyramid frameworks, including Carroll's (1991) model, Visser's (2008) developing-country adaptation and Baden's (2016) revised hierarchy. Carroll's framework prioritises economic responsibilities as foundational, followed by legal, ethical and philanthropic dimensions. Visser, conversely, suggests that in developing contexts, philanthropic concerns may dominate due to institutional limitations, while Baden elevates ethical responsibility above economic considerations. This study indicates that CSR practice in Mongolia most closely aligns with Carroll's model, with mean priority rankings of economic (1.1), legal (1.6), ethical (2.4) and philanthropic (3.3), where lower values indicate higher priority. However, the narrow divergence between economic and legal dimensions implies that some firms do not conceptualise these responsibilities as sequential stages but rather as interrelated and co-constitutive foundations of corporate responsibility.

Furthermore, 22 distinct motivators were identified and analysed through the lens of Maslow's hierarchy of needs, subsequently mapped onto Carroll's four CSR pillars.

Economic and legal motivations were predominantly linked to basic organisational needs, reflecting firms' core concerns with survival, stability and stakeholder relationships. Within these pillars, CSR is conceptualised not as discretionary but as a strategic mechanism for sustaining organisational viability, supporting stakeholder theory and securing a "social licence" to operate, consistent with institutional theory. All nine motivations within the economic pillar align with prior research identifying competitive advantage, business continuity, cost and risk reduction, productivity enhancement and talent attraction and retention as CSR drivers (Carroll and Shabana, 2010; Cordeiro *et al*., 2017; Dang *et al*., 2020; Foss and Klein, 2018; Ijabadeniyi and Govender, 2023; Li *et al*., 2016; Shnayder *et al*., 2016; Boehncke, 2023; Dartey-Baah and Amoako, 2021). Similarly, legal CSR responsibilities were primarily driven by the avoidance of misconduct, consistent with Carroll (1991).

Within the ethical pillar, four motivations – ethical business culture, top management commitment, self-esteem and owners' moral values – were identified. These were mapped to self-esteem needs, encompassing the pursuit of self-respect, the cultivation of an ethical organisational culture and the development of corporate identity. At this level, CSR functions as a mechanism of identity formation, through which organisations seek recognition and legitimacy as ethically responsible actors, both internally and externally. Of the 52 CSR initiatives discussed, 28 exhibited philanthropic characteristics; however, only eight underlying motivations were identified. These align with prior research emphasising reputation enhancement, social equity, children's well-being, responsiveness to community expectations and the promotion of positive societal outcomes as key CSR drivers (Carroll and Shabana, 2010; Sahasranamam *et al*., 2020). These motivations correspond to self-actualisation needs, representing the highest level of motivational development, characterised by a commitment to long-term social impact, community well-being and environmental stewardship beyond regulatory imperatives. At this level, firms conceptualise CSR as purpose-driven rather than obligation-based.

As a result, this study presents an extended conceptual model (Figure 1) – the extended CSR pyramid – which integrates Carroll's CSR pyramid with CSR motivations through the lens of Maslow's hierarchy of needs to explain the evolving priorities of CSR in companies. The extended CSR pyramid offers several important implications for both theory and practice in CSR. By linking organisational responsibilities to motivational dynamics, the model moves beyond static or reordered hierarchies of CSR, providing a framework for understanding the temporal and developmental aspects of CSR adoption. Unlike prior models, which often treat CSR categories as discrete or sequential obligations, integrating Maslow's motivational lens suggests that CSR engagement is a function of organisational "need satisfaction," implying that CSR priorities may shift as firms' internal and external conditions evolve. This perspective encourages a more nuanced interpretation of CSR, highlighting that ethical and philanthropic initiatives are not merely discretionary or symbolic but may emerge naturally as firms satisfy foundational economic, legal and relational needs.

Regarding CSR outcomes, participants generally reported positive outcomes consistent with prior studies, including increased sales, market share, enhanced reputation, customer loyalty, business continuity, reduced employee turnover and improved employee satisfaction (Bhattacharya *et al*., 2020; Ho *et al*., 2024; Kang *et al*., 2010; Mitra, 2021). Furthermore, perceived community-level benefits, including a cleaner, safer environment, opportunities for local economic development, safer school environments for children and improved gender equality, were identified. However, these outcomes were largely based on internal perceptions rather than systematic community feedback or impact measurement, limiting the ability to confirm substantive community benefits.

Finally, CSR decision-making processes were mapped as described by participants. These typically begin with motivation, followed by initiation, evaluation, implementation and monitoring. Positive outcomes were often perceived as rewarding and associated with satisfaction, reinforcing continued CSR engagement. Many participants reported being motivated by the success of prior initiatives, indicating a cyclical pattern of motivation. This aligns with Maslow's hierarchy of needs, whereby satisfaction generates new motivational drivers shaping perceptions of organisational priorities. This study presents a model (Figure 2) of the CSR decision-making process, showing how motivation leads to action, positive outcomes boost satisfaction and satisfaction in turn renews motivation – mirroring Maslow's hierarchy.

5.1 Implications

To the authors' knowledge, this is the first qualitative CSR study conducted in Mongolia. Theoretically, it contributes to existing literature in three distinct ways.

First, by examining CSR within the Mongolian context, this study addresses a significant gap in the literature by providing insights into CSR dynamics from the perspectives of Mongolian executive-level managers. The findings suggest that Carroll's CSR pyramid aligns more closely with participants' descriptions of CSR practices in Mongolia than Visser's framework does, even though Visser's model was specifically developed for use in developing countries.

Second, the study conceptually advances Carroll's CSR pyramid by incorporating a motivation-based perspective. While existing CSR pyramids primarily outline the responsibility firms are expected to fulfil, they offer limited insight into the motivational dynamics that influence how organisations prioritise these responsibilities. The extended CSR pyramid addresses this gap by linking motivational drivers to the four CSR pillars: economic, legal, ethical and philanthropic. By analysing executive managers' perspectives, the study identifies 22 distinct motivations for CSR engagement and demonstrates that these motivations evolve in response to organisational needs. By acknowledging that firms may prioritise responsibilities differently based on their "stage of need satisfaction, the model explains variations in CSR engagement patterns without assuming a universal hierarchy". This dynamic approach represents a substantial improvement over conventional CSR frameworks, providing a theoretically robust explanation for the diversity observed in CSR practices and supporting the development of tailored strategies suited to specific organisational contexts.

Third, the study contributes to the understanding of CSR as an organisational decision-making process by proposing a CSR decision-making model. The findings reveal a consistent pattern in how CSR initiatives are developed and sustained within organisations, consisting of sequential stages of motivation, initiation, evaluation, implementation and monitoring. Importantly, perceived outcomes feed back into the motivational stage, reinforcing or reshaping future CSR engagement. This cyclical model highlights CSR not simply as a set of responsibilities or outcomes but as an iterative organisational process influenced by managerial motivations and perceived benefits.

Although the study is situated in the Mongolian context, the theoretical insights offer a broader framework for understanding how CSR motivations, responsibilities and decision-making processes interact within organisations. Consequently, the proposed models establish a foundation for future comparative research on the evolution of CSR across diverse institutional and cultural environments.

In practical terms, the extended CSR pyramid provides substantial value as a diagnostic tool for assessing CSR maturity. It enables Mongolian organisations to determine whether their CSR activities are motivated by fundamental operational needs, such as stabilising operations, or by higher-order goals, such as promoting social equity and sustainability. Recognising that CSR motivations arise from varying organisational needs allows practitioners to design initiatives that align with their firm's strategic readiness. For example, firms focused on basic needs may emphasise compliance or cost-saving environmental initiatives, whereas more developed organisations may pursue transformative, purpose-driven projects. Furthermore, the model enhances stakeholder communication by clarifying the intent and maturity of CSR efforts. Policymakers and industry bodies in Mongolia can also utilise this framework to develop CSR promotion strategies tailored to the developmental stage and motivational profile of each business.

5.2 Limitations and future research

This study proposes a decision-making model that suggests rewarding outcomes encourage the repetition of CSR practices. Future research should focus on quantitative studies to test this hypothesis and longitudinal designs to explore long-term effects.

The primary limitation of this study is the reliance on self-reported data regarding the effectiveness of CSR initiatives, as many companies lack comprehensive evaluations. Nonetheless, the study provides valuable insights into CSR dynamics in Mongolia, particularly regarding how executive managers perceive motivations, priorities and outcomes.

Notes

1. The approval № GU2023/174
2. Please see it on the Supplementary Online Appendix
3. Participants are anonymised and referred to using codes (P1, P2, P3, etc.) throughout the study.

Supplementary material

The supplementary material for this article can be found online.

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