

Paper#: K167

Corporate Governance and Corporate Social Responsibility: A Critical Review

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ABSTRACT

This paper aims to critically review the existing literature on the relationship between Corporate Governance, in particular board diversity, and its influence on both Corporate Social Responsibility (CSR) and Corporate Social Responsibility Reporting (CSRR) and suggest some important avenues for future research in this field. Assuming that both CSR and CSRR are outcomes of boards' decisions, this paper proposes that examining boards' decision making process with regard to CSR would provide more insight into the link between board diversity and CSR. Particularly, the paper stresses the importance of studies linking gender diversity and CSR decision making processes which is quite rare in the existing literature. It also identifies some of the important methodological drawbacks in the previous literature and highlights the importance of rigorous qualitative methods and longitudinal studies for the development of understanding of the diversity-CSR relationship.

Keywords: Corporate Governance, Corporate Social Responsibility, Corporate Social Responsibility Reporting, Board Diversity, Gender Diversity, Decision Making Process.