

# *Influence of corporate social responsibility on intangible benefits in the project-based companies*

Ivan Jovanović

*Engineering Management Department  
University of Belgrade, Technical  
faculty in Bor,  
Bor, Serbia*

E-mail: [ijovanovic@tfbor.bg.ac.rs](mailto:ijovanovic@tfbor.bg.ac.rs)

Andjelka Stojanović

*Engineering Management Department  
University of Belgrade, Technical  
faculty in Bor,  
Bor, Serbia*

E-mail: [anstojanovic@tfbor.bg.ac.rs](mailto:anstojanovic@tfbor.bg.ac.rs)

Nenad Milijić

*Engineering Management Department,  
University of Belgrade, Technical  
faculty in Bor,  
Bor, Serbia*

E-mail: [nmilijic@tfbor.bg.ac.rs](mailto:nmilijic@tfbor.bg.ac.rs)

**Abstract**—In this study, the influence of three factors of Corporate Social Responsibility (CSR), Ecological aspect, Voluntarism, and Social aspect on soft results, that is, on Intangible project benefits in project-based companies in Serbia has been examined. For this purpose, the conceptual model with three hypotheses was developed. For hypothesis testing the Structural Equation Modeling (SEM) was used. The tested sample comprised of 184 respondents from different business sectors. The results of empirical study confirm the hypothesis and point out the existence of positive correlations between model constructs. However, only two hypotheses (H1 and H3), that impose the positive influence of constructs Ecological aspect and Social aspect towards Intangible project benefits have statistical significance and acceptable. The hypothesis H2, that imposes the positive influence of construct Voluntarism on Intangible project benefits, although is being confirmed, is not statistically significant. Obtained results are suitable for comparisons with other researchers conducted in transitional economies as well as in developed economies.

**Keywords**—*corporate social responsibility, intangible project benefits, project management, statistical analysis, structure equation modelling.*

## I. INTRODUCTION

The concept of Corporate Social Responsibility (CSR) emerged in the 1950s and is based on the company's responsibility towards society. The concept evolved from random occurrences in companies, through targeted, proactive actions, to compliance and reshaping relationships with stakeholders, and ultimately to the prescribed guidelines and norms [1]. The CSR in today's business agenda occupies a significant place with a significantly expanded set of elements that this concept encompasses.

Project planning, resource allocation, cooperation with stakeholder, and motivating employees to contribute to the project are the most important elements of project management. In addition, one of the great challenges that project management faces is the inclusion of CSR in project management.

While in other managerial disciplines, sustainability appears as part of strategies, goals, and an integral part of the business, in project management, sustainability is rarely directly indicated

mostly due to the temporary nature of projects, across organizational structures and boundaries, and clearly specified resources and budget [2,3].

The political and economic transition that has been happening in Serbia in recent years and the opening of the market, after the economic sanctions and the privatization of most state companies, has caused the development of new business relations and practices as well as the specific challenges that business and corporate responsibility in Serbia has been facing [4].

Project management in Serbia has a long tradition, but knowledge in project management, currently, is not at a satisfactory level because of a small number of trained project managers and limited project management capabilities [5].

In recent years, researchers focus on CSR of domestic and foreign companies, implementation of CSR policies and standards, and the financial benefits this practice brings. Nevertheless, the small number of research deals with the link between CSR and intangible companies performances that arise as a result of CSR implementation, and which actually reflect the company's potential for long-term growth and sustainability.

In project-based companies, the specific project management and CSR implementation are being developed due to the strong orientation of projects toward goals and the changing character of project companies.

In order to develop competencies in project management, it is necessary, at first, to look at the new aspects and trends in project management which gradually deviates from traditional procedures where phases, desired outcomes and milestones are clearly defined, and turns to a holistic approach that implies greater versatility and different methodologies.

By reviewing the available scientific literature, it has been concluded that there are no studies in Serbia, so far, that have dealt with the topic of project management through CSR aspects. This is considered to be a direct consequence of the aforementioned facts. Therefore, the main aim of this research is to assess the impact of CSR implementation on intangible benefits in project-based companies in Serbia.

## II. LITERATURE REVIEW AND DEVELOPMENT OF HYPOTHESIS

It can be said that the CSR deal with business ethics in a way that preserves economic results, meets legal regulations but also responds to social expectations and provides benefits for all company stakeholders [6]. The need to approach problems proactively, and not reactive, make that company act beyond the obligations prescribed by law and behave ethically, from which strong and very beneficial relationships with stakeholders are being built. On the other hand, stakeholders are increasingly focused on the quality of life, ecological sustainability, social presence of companies, and values that the company demonstrates in relations with people and the environment. Hence, stronger pressure from stakeholders, but also stronger competition, pressures companies to constantly review their philanthropic and other socially responsible activities from the point of view of invested funds and obtained returns.

Incorporating CSR in project management requires, first, recognizing of future changes in the company environment and key stakeholders that need to include, and then, forming and implementing a proactive CSR policy based on core values and ethical attitudes that the company demonstrates and stands for. Through all the phases of the project, it is important to evaluate the opportunities that the implementation of CSR offers and assess which of the CSR activities deliver benefits that can provide an internal value for the company, a specific advantage over other companies or the welfare of society as a whole.

The project-oriented companies as such have the flexibility and capabilities for rapid learning, accumulation and dispersion of knowledge and experience. In order to achieve sustainability of the project, it is necessary, that besides economic in strategic planning, but also in all other stages of planning and realization of a project, include environmental and social aspects. As phases and milestones are followed in planning and implementation in terms of time, budget, risk and quality, it is also necessary monitoring whether the project from phase to fulfilment awareness of ecological impact [3], social elements and respect and going beyond of the prescribed norms.

### A. Ecological aspect

Environmental management implies health, safety, pollution control and reduction of damage caused by the company's operations. Project planning and implementation of project activities should continually be implemented by environmental monitoring to identify and create opportunities that significantly influence the ecological result of the project. Many studies state that green projects are much more expensive [7]. However, when implementing the phases of the project in which environmental concerns are incorporated, numerous benefits are being achieved, reflected in innovation, impact on pollution

reduction, increased utilization of resources, and reaching edge in meeting energy need.

Although the concept of project management has not been formally defined through environmental management and the family of ISO 14000 standards, incorporating environmental sustainability in the project can be implemented using these tools [3]. In their study, the authors of Dongab and Hauschild [8] identified three models of ecological sustainability assessment that can be used in project-oriented companies. *Planetary boundaries* are defined as indicators relating to the stability of the earth system. The second method is the *Life Cycle Assessment*, which assesses the impact on resource use and third, *Sustainable Development Goals* that set targets in the context of human-centred decision making [8]. Benefits that additionally bring the integration of the environmental aspect into project planning and implementation are the creation of a positive relationship with regulators, consumers, employees and thus further improving the image of the company and gaining market advantage [9, 10].

### B. Social aspect

The social aspect of CSR is often considered the weakest pillar of corporate responsibility [11], while economic and environmental aspects are much more notable both in the business perspective of companies and in the literature [3]. In recent years, due to the financial crisis, political changes in many countries, unemployment problems, economic polarization and marginalization, more attention has been paid to social development and social capital [11]. When considering the scope of the social aspect described by different organizations such as the Global Reporting Initiative, the UN Global Compact's Ten Principles, ISO 2600, the conclusion is that the social responsibility framework is very broadly defined. Social criteria for assessing social responsibility include health care (general and health of employees), education (education of employees but also general emancipation of society), safety (employee safety, working conditions, and general population safety), characteristics of population and society (general quality of life of employees), company and society relations (company involvement and participation of stakeholders), internal social responsibility (training and employee training, equity, correct and equal treatment for all employees, human rights, occupational safety) [12, 13].

Through monitoring the project, it is necessary, within the overall positive alignment of the project with the planned objectives, to be taken into consideration the social impact on the surrounding. The social footprint that is being accomplished through the project should be in the form of a centralized database that tracks information on internal human resources, external population, macro social performance and stakeholders participation.

### *C. Voluntarism*

Voluntarism presupposes a set of discretionary decisions that are made within the company without the mere complying with the prescribed requirements that come outside the company [14]. Generally speaking, voluntarism is most often demonstrated through philanthropic contributions, and it is external, but may be internal when, voluntarily, a high level of control and performance in carrying out core business activities is being maintained. In some way, it may seem that companies are forced to incorporate environmental and social aspects into their practice by trying to meet the demands of different stakeholders [15]. Many institutions and initiatives such as the UN Global Compact, the ISO 26000, The Global Reporting Initiative (GRI), The European Commission, established guidelines and instructions for companies that relate to the implementation of the sustainability principle as an imperative of doing business in the future. These guidelines can be used to determine the CSR action plan [16]. It is recommended that companies align their strategies with universal principles of respect for human rights, employees and anti-corruption, all in the direction of global social progress and prosperity [17].

### *D. Project performances and intangible project benefits*

From the very beginnings of defining the notion and concept of CSR, there is a debate among researchers over the justification and effectiveness of CSR implementation in companies, as well as over the direct and indirect ways to measure CSR activities outcomes. A part of the researcher claims that the responsibility of the company exists only towards the shareholders and the fulfilment of the primary goal-profit and that any further engagement of the company is an unnecessary waste of resources [18]. Among the supporters of CSR is the prevailing opinion that investment in CSR is valuable to both companies and society as a whole [14]. This second direction of CSR understanding relates to numerous long-term benefits for companies that implement CSR. Benefits are reflected through the loyalty of consumers and employees, brand recognition, increased innovation and long-term sustainable development of the company [19].

Value creation is a key element of the business strategy and the success of the project is largely assessed by meeting the demands and needs of different stakeholders. Project management assumes different management functions through financial management, management of changes, management of the organization and human resources, sustainability management and relations management [20]. Each of these management functions focuses on a specific management field. Values promoted through CSR are applied in each of the stated areas of management and are not the exclusive right of a particular function or group of managers. Commitment to CSR is emphasized as a core value of an organization. Project management should enable systematic management of

all aspects and simultaneous monitoring of social, economic and environmental impact.

The traditional measurement of company performance stems from a consideration of financial indicators: profit, asset turnover and market share. Modern measuring of performances is based on monitoring the performance of the entire business process, i.e. project, and implies identification, measurement, evaluation and continuous incremental improvement of overall outcomes and internal and external influences. Although it is not directly included in the main indicators of project success, CSR measurement is becoming more and more important, especially due to the fact that the business environment becomes more and more complex, and demands become more specific. The inclusion of CSR aspects in measuring the results of the project is the extension of the traditional management project triangle (time, costs and quality) with an additional dimension that constitutes of intangible benefits resulted from voluntary embedded environmental and social elements in the project management.

When the goal of the management, in addition to the financial performance, becomes soft benefits of CSR in project management, this can contribute to significant changes in the way the project-oriented company carries out its activities and how it relates to employees, society and the environment [21]. Intangible benefits are the gains that contribute to the project but are not measurable and cannot be converted directly into money. These intangible effects, although they cannot be shown in the formal financial reports, make a drastic difference in the overall results of the company's operations. They consist of subjective attitudes and perceptions of stakeholders on success and indirect results that can increase the value of the company [22, 23].

Corporate reputation is an evaluation of a company that stems from the perception of the public about the legitimacy of the activities being carried out. Companies use CSR in order to increase their visibility and influence the image generated by public opinion [24]. By implementing CSR activities planned through strategy, values, and project management, various additional benefits can be created for the company [25]. Philanthropic activities contribute to improving the image and clients show greater readiness to work with a socially responsible company. Some authors questioned the connection among the CSR activities and the marketing results of the organization and concluded that the company is strengthening the image of itself and its corporate identity through social responsibility [26, 27] therefore achieve better market acceptance. Creating a positive image and improving consumer loyalty contributes to the innovative potential that is being developed through CSR and the desire to carry out operations in a responsible manner. Through the tendency to reduce the negative environmental impacts, there come into sight innovative products and more efficient processes through which the first on the market benefit and hence, the trust of clients, are achieved.

Benefits that employees have from the company's focus on empowering the workforce to contribute to the intangible benefits group through greater loyalty [28] and employee morale, and consequently, gains in productivity [29]. In addition to the positive effect of CSR activities on employees as one of the significant intangible benefits, better conditions for attracting more qualified potential employees can be outlined [30]. Some potential job seekers will prefer to apply for a job in a company that has a reputation of being socially responsible and transparently implements programs of promotion, training, working conditions and the promotion of life-work balance.

Because of the previously stated views, three hypotheses are suggested.

Hypothesis **H1**: Responsible managing of the ecological aspect positively influences the intangible project benefits in project-based companies.

Hypothesis **H2**: Responsible managing of the voluntarism positively influences the intangible project benefits in project-based companies.

Hypothesis **H3**: Responsible managing of the social aspect positively influences the intangible project benefits in project-based companies.

In accordance with H1-H3 hypotheses, the conceptual model is defined, which is shown in Fig. 1.

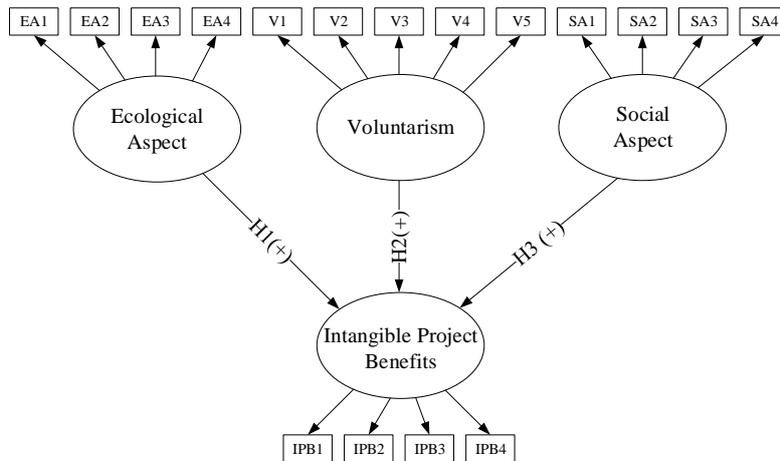


Fig. 1. Conceptual model

The conceptual model was defined in order to determine the impact of CSR aspects on intangible benefits in the project-based company. Factors Ecological Aspect (EA), Voluntarism (V), and Social Aspect (SA) represent independent latent variables, and Intangible Project Benefits (IPB) is a dependent latent variable, in the conceptual model.

### III. RESEARCH METHODOLOGY

The basis for the creation of the questionnaire was qualitative research of the literature from which the fundamentals of the project management process were extracted and into which the CSR practice and the unique intangible benefits derived from it were incorporated. Employees' perception of the activities implemented by the project-based company, which are in line with CSR's commitment to the company, was observed. The main link between the employees and the performance of the project occurs through the construction of a positive employee relation towards the values that the company propagates.

13 items were used to define the ecological aspect (EA), voluntarism (V), and social aspect (SA). For estimating intangible project benefits (IPB), because of which CSR activities of the companies should be realized, 4 items were used, as shown in Table I.

The survey covered workers, head-workers, and supervisors in project-based companies in Serbia. In this way, it is enabled to examine, from the level of the individual, the mechanisms based on which EA, V, and SA factors influence the IPB factor. The data were collected by anonymous interviewing of 184 respondents in 12 different business sectors. The ratio of the sample size to the number of questions is 10.82, which is above level 5, according to the recommendations of Hair et al. [31].

### IV. DATA ANALYSIS AND RESULTS

For the statistical analysis of the collected data, SPSS v.17.0 software, and AMOS v.18 software for testing the conceptual model (hypothesis) were used.

#### A. Demographic statistics

The questionnaire contains 8 items for examining the demographic characteristics (5 items for respondents, 3 items for companies).

Respondents: 40.2% of the total numbers were male and 59.8% female respondents. In the most productive age, from age 26 to 55, there are 92.5% of respondents. The highest percentage of respondents (57.6%) has a diploma of vocational education. The questionnaire was mostly filled by workers, 83.2%. The highest percentage of respondents with business

experience (57.6%) belongs to the category of up to 10 years.

Companies: The surveyed companies in the largest percentage (78.2%) are in the category of older than 15 years. The highest percentage of respondents

(80.4%) are employed in companies with over 50 employees. The survey covered 12 business sectors (chemical industry, electronics, engineering, infrastructure, IT / media, professional services, retail, finance, education, footwear, textile industry, etc.)

TABLE I. QUESTIONNAIRE ITEMS AND DESCRIPTIVE STATISTICS [32]

Item code	Item	Mean	Var.
EA1	We participate in activities related to the protection and improvement of our natural environment.	3.103	1.776
EA2	We have a positive attitude toward the use, purchase, or producing ecological goods.	3.587	1.588
EA3	We use recyclable containers and packaging.	3.554	1.931
EA4	We are aware of the relevance of firms' investments planning to reduce the environmental impact that was generated.	3.505	1.497
V1	Our company helps to solve social problems.	3.119	1.964
V2	Our company has a strong sense of corporate social responsibility.	3.315	1.638
V3	Our company gives adequate contributions to local communities.	3.413	1.621
V4	Our company allocates some of its resources to philanthropic activities.	2.853	1.765
V5	Our company encourages us to participate in volunteer activities.	3.044	1.856
SA1	The company complies with standards related to labor risks, health, safety and hygiene programs.	3.728	1.226
SA2	Company considers employees' initiatives and proposals in management decisions.	3.250	1.653
SA3	Company is committed to the improvement of the quality of life of our employees.	3.245	1.519
SA4	Equal opportunities exist for all employees without any type of discrimination	3.614	1.539
IPB1	Image	3.842	1.314
IPB2	Better conditions to attract qualified employees	3.299	1.544
IPB3	Employee loyalty/engagement	3.505	1.508
IPB4	Trust (employees, customers, ...)	3.522	1.409

### B. Descriptive statistics

In the descriptive statistics, the basic statistical parameters were monitored: means and variance, and the obtained data are shown in Table I. The mean value of the answers is between 2.853 and 3.842, and variances are between 1.226 and 1.964. By analyzing the obtained data, it can be concluded that the largest number of respondents stated "I agree", which generally represents the positive opinion and expresses their positive attitude to the questions asked. Descriptive sample statistic shows a high degree of consistency of data.

### C. Control model

First, the MSA-test (Measures of sampling adequacy) was done. For this purpose, the KMO indicator and Bartlett's test of sphericity were used. For latent variables EA, V, SA, and IPB, the KMO indicators are .730, .844, .788, and .783, respectively. The Bartlett's test of sphericity is  $Sig.=.000$  for all latent variables. The obtained values are above the recommended minimum values ( $KMO>.6$ ;  $Sig.\leq.05$ ), which is in accordance with the recommendations in the paper [30]. Results obtained by MSA-testing indicate that the data are convenient for the performing of factor analysis and that there is a correlation between the issues within the groups.

#### Factor Analysis

Exploratory factor analysis (EFA) was performed to determine the one-dimensionality of latent variables

in the proposed model. Confirmatory Factor Analysis (CFA) was carried out to determine the reliability and validity of the control model. The values obtained are shown in Table II.

The EFA results indicate that the one-dimensionality of all latent variables that are set in the model is confirmed since all the questioned items (variables) are grouped into one factor set with their own value greater than 1 (Eigenvalue). The factor loadings of variables are between .656 and .882, higher than .6, which is suggested value for samples up to 300 participants, according to [33]. As the results suggested, the formed latent groups of variables can be described with defined variables in a reliable manner.

For the reliability of the control model, an internal compliance indicator is used, which is measured by Cronbach's alpha coefficient. In all latent groups, these coefficients are greater than the recommended value of .7 [34]. This means that there is internal compliance between the latent variables and that the variables are suitable for further analysis. Also, based on the values of factor loading and  $t$ -value (Confirmatory Factor Analysis in Table II), it can be concluded that the convergence validity for all variables in latent groups has been achieved. Factor loading is at all variables above the suggested value of .6 [33], and the  $t$ -test values have reached the level  $p<.000$  in all variables.

TABLE II. CONTROL MODEL - EFA AND CFA

Exploratory Factor Analysis (EFA)											
Environmental Dimension			Voluntarism Dimension			Social Dimension			Intangible Project Benefits		
Questions	Factor loading		Questions	Factor loading		Questions	Factor loading		Questions	Factor loading	
EA1	.759		V1	.809		SA1	.745		IPB1	.656	
EA2	.882		V2	.844		SA2	.812		IPB2	.825	
EA3	.712		V3	.760		SA3	.806		IPB3	.821	
EA4	.722		V4	.801		SA4	.821		IPB4	.843	
			V5	.741							
Eigenvalue	2.382		Eigenvalue	3.135		Eigenvalue	2.539		Eigenvalue	2.496	
Var. explained %	59.55		Var. explained %	62.71		Var. explained %	63.47		Var. explained %	62.41	
Confirmatory Factor Analysis (CFA)											
Environmental Dimension			Voluntarism Dimension			Social Dimension			Intangible Project Benefits		
Questions	Factor loading	t-value	Questions	Factor loading	t-value	Questions	Factor loading	t-value	Questions	Factor loading	t-value
EA1	.671		V1	.737		SA1	.666		IPB1	.520	
EA2	.870	9.148*	V2	.818	10.344*	SA2	.735	8.293*	IPB2	.765	6.550*
EA3	.603	7.116*	V3	.703	8.966*	SA3	.756	8.467*	IPB3	.729	6.413*
EA4	.604	7.122*	V4	.719	9.170*	SA4	.709	8.061*	IPB4	.809	6.685*
			V5	.679	8.664*						
Cronbach's α	.767		Cronbach's α	.850		Cronbach's α	.808		Cronbach's α	.797	

Notes: \* p < .000

Fit indicators

The values of the individual fitting indicators for the control model are shown in Table III, where the recommended values of the fit indicator are shown in the last column [35].

Based on the value  $\chi^2/d.f.=1.823<3.0$  can be concluded that the initial data are really representative. The value of the RMSEA indicator for control and path model is .067, which is below the permissible limit acceptable compatibility. The GFI indicator is

just below the recommended value (.89<.90), but it can be accepted and concluded that it shows good compatibility for both models. The values for RMSEA and GFI indicate the absolute match in both models. With the values obtained for other fit indicators (AGFI = .85; CFI = .93; NFI = .86 and IFI = .93), it can be concluded that good fit is ensured and that the data are truly representative. In other words, in the proposed model four latent groups of variables are validly and reliably described by 17 variables (questions from the questionnaire).

TABLE III. FIT INDEX VALUES FOR THE CONTROL AND PATH MODEL

Fit indicators	Control and path model	Recommended values
$\chi^2$	206.02	-
d.f.	113	-
$\chi^2/d.f.$	1.82	< 3.0
RMSEA	.067	< .08 – .10
GFI	.89	> .9
AGFI	.85	> .9
CFI	.93	> .9
NFI	.86	> .9
IFI	.93	> .9

D. Structural model

After validating of the control model, a structural model was tested using AMOS v.18 software, in accordance with the proposed conceptual model, and the results are shown in Fig. 2.

To investigate the relationships between observed variables in detail, the study adopts structural equation modeling. By applying the multi-regression model by SEM, the influence of observed variables on latent variables is evaluated.

The value of the regression coefficient ( $\beta$ ) explains the strength of the relationship between the dependent

and the independent latent variable, shown above the arrows. The brackets are presented the t-test values. With asterisks, is marked the level of statistical significance. In the dependent variable field, the determination coefficient ( $R^2$ ) is shown.

The obtained results suggest that all three hypotheses (H1, H2, and H3) were confirmed, since obtained values of the regression coefficient were .27, .05, and .41, respectively. However, H1 and H3 hypotheses can be accepted with an appropriate statistical significance, since the obtained values are H1 ( $\beta=.27, t=2.10, p<.05$ ) and H3 ( $\beta=.41; t=2.58;$

$p < .01$ ). The H2 hypothesis is not acceptable because the values for H2 ( $\beta = .05, t = .09$ ) are obtained.

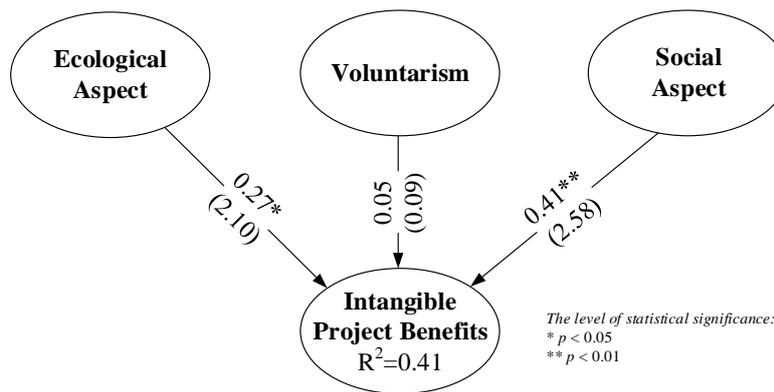


Fig. 2. Structural model

In other words, the findings of the SEM analysis report: The path coefficient for the relation of the environmental aspect of the CSR and the intangible project benefits is positively significant at the .05 level; The social aspect of CSR implementation and intangible project benefits are also positively and significantly related at significance level of .01; The voluntarism, however, has a positive effect on intangible project benefits, but the effect has no significance.

The value of the coefficient of determination ( $R^2 = .41$ ) indicates that the influence of the predictors "Environmental Aspect", "Voluntarism" and "Social Aspect" on the endogenous variable "Intangible Project Benefits" is accounted with 41% variances.

## V. DISCUSSION

The paper analyzes three important factors of corporate social responsibility (CSR): ecological aspect, voluntarism, and social aspect, and their impact on the soft results in the project-based companies. A conceptual model of positive impact with three hypotheses was set, and it was tested using SEM methodology. In particular, the impact of the environmental aspect, voluntarism, and social aspect on intangible project benefits in the project-based companies in Serbia was tested. The data was collected by anonymous interviewing of 184 respondents in 12 different business sectors. SPSS v.17.0 software was used for statistical analysis of data, and AMOS v.18 software was used for testing the set of hypotheses.

### A. Implications

This work contributes to the overall development of a project management concept, that is, contributes to the understanding of the need for a comprehensive implementation of the CSR concept in project-based companies, to accomplish long-term benefits for the organizations and for the society as a whole [14,19].

The results of this study highlight two important direct effects. First, the ecological aspect of SCR influences the intangible benefits in project-based

companies. A similar conclusion can be found in [36]. Second, the social aspect of SCR positively influences the intangible benefits of project-based companies, as well as in work [36]. In the same way, the paper emphasizes the direct effects of voluntarism on the intangible benefits in the project-based companies, but the results have no statistical significance. The rationale but also a solution for these effects could be found in the paper [37], where authors suggest that in situations where the relationship between examined variables is without statistical significance, it is suitable to search for mediators. Also, due to the fact that CSR is a new concept in business in Serbia, it can be concluded that this aspect is not sufficiently known to respondents while the other two aspects are more recognizable and their outcomes are more noticeable.

The authors believe that the differences in the results (in the H1 and H3 hypotheses) between the project-based company in transition economies (Serbia-where the survey was carried out) and the developed economies (reference literature) are normal and expected. In developed economies, the influence of the ecological aspect is dominant, while the social aspect is implied [9]. The results of the survey show that in Serbia, the focus of the respondents is primarily on the social aspect of social responsibility rather than on the environmental one. Still, it is about different business cultures and different levels of implementation of the CSR concept in companies. In developed economies, there is a strong and long tradition in implementing the CSR concept in project-based companies. However, Serbia has functioned according to the rules of state-directed economy and has a relatively short tradition in the implementation of the CSR concept. Nevertheless, for the past 20 years, Serbia is moving to a market-based economy. That opened the possibility that companies change their attitudes and build awareness of the need to implement the CSR concept.

Theoretical contributions of this paper derive from the conceptualization and empirical testing of mechanisms through which CSR factors directly influence the intangible benefits in the project-based companies. It should be emphasized that there is no

universal formula on how to develop the CSR concept in Serbia. Concrete policies that seek to increase the level of CSR implementation are usually based on the "best practice models" that come from developed economies. However, company managers are key players in selecting CSR activities, while the guidelines of various organizations, as well as corporate responsibility reports, are used voluntarily.

This research can have implication for business policymakers, and especially for those in the centre of research concerns, is that CSR implementation in project-based companies must be encouraged.

### *B. Limitations and future research opportunities*

There are some limitations that need to be considered, but they provide the possibility of proposing future research. First of all, the research is based on subjective estimations of respondents which should be taken with a certain reserve. In the future, subjectivity can be decreased by using various scales. With this approach, the biased assessment of respondents can be excluded. Second, the fact that the survey was conducted in Serbia in a country with a transition economy can be considered as a limitation. The obtained results, therefore cannot be generalized to other economies. However, they represent a starting point for further research in other countries, and results can be convenient for comparative analysis.

## VI. CONCLUSION

When a company sincerely devotes itself to a strategy that achieves sustainability through socially responsible behavior, it is a greater opportunity to become an integral part of the community in which it operates and thus establishes better relationships with all stakeholders that ultimately result in the long-term success of the company. The results of these surveys send project managers a clear message that the company's strength depends on society and that decisions in the direction of CSR are a key to a positive contribution to both society and the company.

Serbia has a very short history of implementation of the CSR concept, that becomes appeared after economic changes in the 2000s. Similar to all countries in transition, the CSR concept is being developed in Serbia as well. However, the findings presented in this paper can provide guidelines for focusing on those aspects of CSR in which the effects of the activities undertaken and the impact on the stakeholders will be maximized.

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