

Article

Changes in Corporate Responsibility Management during COVID-19 Crisis and Their Effects on Business Resilience: An Empirical Study of Swiss and German Companies

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Abstract: The COVID-19 pandemic has affected the activities and performance of companies worldwide. This article examines in what ways corporate responsibility management and corporate responsibility reporting activities have changed during the COVID-19 crisis in Switzerland and Germany, and how corporate responsibility management is related to aspects of business resilience in terms of maintaining expected financial performance during the COVID-19 crisis in Swiss companies. To answer these questions, we conducted a quantitative and qualitative content analysis of company reports of the top 10 Swiss and German companies in terms of market capitalization, as well as a quantitative survey among Swiss managers. Our results show that during the period under consideration, (i) a majority of the companies analyzed in Switzerland and Germany expanded their sustainability reporting, both overall and in all sustainability dimensions; (ii) there is a tendency for corporate responsibility management to move away from upstream and downstream sustainability topics and focus more on in-house sustainability topics; and (iii) there is a correlation between the two corporate responsibility topics of local recruitment and occupational health and expected financial performance as an aspect of maintained business resilience in times of crisis.

Keywords: corporate responsibility management; corporate responsibility reporting; sustainability management; COVID-19; business resilience



Citation: Brand, F.S.; Blaese, R.; Weber, G.; Winistoerfer, H. Changes in Corporate Responsibility Management during COVID-19 Crisis and Their Effects on Business Resilience: An Empirical Study of Swiss and German Companies. *Sustainability* **2022**, *14*, 4144. <https://doi.org/10.3390/su14074144>

Academic Editors:

Isabel-Maria Garcia-Sanchez,
Filippo Vitolla, Nicola Raimo and
Mark Anthony Camilleri

Received: 18 November 2021

Accepted: 16 March 2022

Published: 31 March 2022

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1. Introduction

Since its outbreak in December 2019, COVID-19 has had a great impact on the global economy [1]. One in four companies worldwide has seen sales drop by at least 50%; on average, sales have dropped by 27% [2]. Still, for most world regions the pandemic is the biggest threat to domestic growth [3]. In Switzerland, the impact has been significant, with a shrinkage of the Swiss economy of 2.4% in 2020 and 3.1% of the workforce on “Kurzarbeit”, a state-sponsored, short-time work benefit scheme [4].

Numerous recent articles have analyzed the changes in corporate responsibility management during the COVID-19 pandemic [1,5–12]. In addition, several empirical studies have been conducted to determine whether or not corporate responsibility management can contribute to business resilience by enabling companies to maintain a certain (expected) level of economic performance in a crisis such as the COVID-19 pandemic [11,13–21], or can help companies recover from such a crisis in a shorter time [17]. Different effect mechanisms were discussed. Camilleri [22], e.g., showed positive and significant effects between the employees’ perceptions on their firms’ CSR practices and their intrinsic motivations. Furthermore, theoretical considerations such as the theory of moral capital [23] and the theory of reputational capital [24] suggest that corporate responsibility management can provide an insurance safety net and that it can increase business resilience in times of crisis.

This article contributes to the ongoing discussion by examining (i) in what way corporate responsibility management has changed in Swiss and German companies during the COVID-19 crisis, and (ii) to what extent corporate responsibility management has contributed to increased business resilience in Swiss companies during the COVID-19 crisis in terms of maintaining expected financial performance. To address these issues, we employed an approach combining two empirical studies: *Study 1*, a quantitative and qualitative content analysis of the company reports of German and Swiss companies, and *Study 2*, a quantitative survey among Swiss managers.

In the following, the core concepts and theoretical underpinnings are described before introducing the research questions and hypotheses. After expanding on the methods used, the findings of the two studies are presented, followed by a general discussion and conclusion.

2. Theoretical Framework, Research Questions, and Hypothesis

2.1. Core Concepts and Theoretical Underpinnings

This section defines the two core concepts of this article, corporate responsibility management and business resilience, linking them with the theoretical discourse on corporate responsibility management and how it can provide insurance capital for companies in times of crisis.

Corporate Responsibility Management: The concept of corporate responsibility first appeared in the 1960s and is related to other concepts such as sustainability and corporate citizenship [1,25]. Corporate responsibility management as defined by the European Commission [26] is a process to manage an organization's social responsibility by integrating social, environmental, ethical, human rights, and consumer concerns into its business operations and core strategy in close collaboration with stakeholders, to (i) maximize the creation of shared value for shareholders, other stakeholders, and society at large, and (ii) identify, prevent, and mitigate possible adverse effects (cf., also [27]). Due to increasing awareness of pressing challenges such as climate change, the pollution of the oceans with plastic particles, and human rights violations, organizations are more aware than ever of the relevance of corporate responsibility, including the related risks (financial, legal, and reputational) and opportunities (e.g., products and services for new markets or new customer segments), as well as the potential of corporate responsibility for future economic growth [3].

Business resilience: The term resilience originated in ecology but has since been employed in many other scientific disciplines and has even been used as a more general boundary object to facilitate communication across scientific disciplines [28]. Business resilience can be defined as the ability of a company to maintain some stability in terms of (expected) financial performance in times of crisis [17]. To make this rather general definition more meaningful for scientific analysis, resilience needs to be more clearly defined in terms of resilience of what to what [29]. In this article, we look at the resilience of companies in terms of their ability to maintain a certain level of expected financial performance, in particular in the context of the negative impact of the COVID-19 crisis.

Two theoretical concepts put the two terms, corporate responsibility management and business resilience, in relation to each other: (i) the theory of reputational capital [24,30] and (ii) the theory of moral capital [23,31]. In the following, an overview of the two theories is provided based on Thalmann [32].

The Theory of Reputational Capital: Fombrun's [30] initial theory of reputational capital suggests that stakeholders continuously evaluate their company, thereby shaping its reputation and, consequently, generating reputational capital for it. Fombrun et al. [24] extended the reputational capital theory by proposing that corporate citizenship helps companies to build reputational capital. According to their theory, reputational capital is built by strengthening the ties between the company and its key stakeholders. Fombrun et al. [24] also claimed that there is no simple correlation between corporate responsibility management and corporate financial performance. Instead, according to their theory, there

is a relationship between reputation and risk, with corporate responsibility management being viewed as a strategic tool to both realize reputational gains and mitigate the risk of reputational losses.

The Theory of Moral Capital: The theory of moral capital [23,31] proposes that there is a pathway that leads from philanthropic activity to shareholder value. Godfrey [23] considered philanthropic activity as one of several manifestations of corporate responsibility management and shareholder capital as a measure of corporate financial performance. In their later work, Godfrey et al. [31] argued that corporate responsibility management is often viewed as voluntary corporate actions to improve social and environmental conditions. In addition to that, their theory suggests corporate responsibility management is also a method of buying respect. Corporate responsibility management signals a willingness to act philanthropically rather than in a purely self-interested way. When such signals are received and accepted by stakeholders, companies generate a positive reputation, which earns them moral capital.

Against this backdrop, corporate responsibility management can increase insurance capital and thus business resilience in times of crisis (cf., also [32]). This claim is tested in this study by means of a survey among Swiss managers and a statistical analysis of their answers.

2.2. Research Questions and Hypothesis

Based on the ongoing discussion in the literature concerning corporate responsibility management and the theoretical considerations described above, the following research questions were formulated: (1) In what way did corporate responsibility management and corporate responsibility reporting activities change during the COVID-19 crisis in Switzerland and Germany, and (2) in what way is corporate responsibility management related to aspects of business resilience in terms of expected financial performance in Swiss companies during the COVID-19 crisis?

With our quantitative survey, we also wanted to test the following hypothesis concerning firm resilience: corporate responsibility topics have a positive effect on expected business performance in times of crisis.

The next section describes how we proceeded to address these questions and how we tested the hypothesis.

3. Methods and Results of Studies 1 and 2

This section describes the methodology applied in answering the research questions and in testing the hypothesis set out above, and presents our findings. To uncover the changes in corporate responsibility management during the COVID-19 crisis, we first carried out a quantitative and qualitative content analysis of the company reports of Swiss and German companies (*Study 1*). To be able to test the changes found and also examine aspects of business resilience against impacts of the pandemic, we conducted an online survey among Swiss managers. The survey focused on the changes in corporate responsibility management observed and correlations of corporate responsibility aspects with maintained expected financial performance during the crisis (*Study 2*).

3.1. Methodology of Study 1: Quantitative and Qualitative Content Analysis of Annual Reports

A quantitative and qualitative content analysis [33] was employed to uncover the main tendencies in corporate responsibility reporting during the COVID-19 pandemic. The main objective was to examine whether or not corporate responsibility reporting changed during the COVID-19 crisis. The sample included the 10 largest companies in terms of market capitalization in Switzerland (Nestlé S. A., F. Hoffmann-La Roche Ltd., Novartis International AG, ABB Ltd., Zurich Insurance Group, Richemont International SA, UBS Group AG, Lonza Group Ltd., Sika AG, and LafargeHolcim Ltd.) and Germany (SAP SE, Siemens AG, Allianz SE, Daimler AG, Deutsche Telekom AG, BASF SE, Deutsche Post DHL Group, Adidas AG, Bayer AG, and BMW AG).

The quantitative and qualitative content analysis involved (i) category-building to guide the examination, (ii) developing a codebook, and (iii) specifying quality criteria [33]. In a theory-driven approach [34], the categories were created from the standards of the Global Reporting Initiative (GRI), as all the companies examined use these standards for their sustainability reporting, which ensured comparability. To study, specifically, the impact of the COVID-19 pandemic, another code was added. The codebook included the GRI and corona dimensions, which enabled us to examine the frequency of the occurrence of specific elements in the annual reports.

The software used to assess the quantitative data was MAXQDA. The quantitative content analysis was enriched with a qualitative content analysis [35], in which the analytical categories were derived inductively from the reports without relating them to the theoretical GRI categories. The focus was on references to the COVID-19 pandemic in 2020.

The quality criteria used in the quantitative and qualitative content analysis were reliability and validity. To be reliable, a measurement should yield the same results when it is repeated; to be valid, an instrument must really measure what it intends to measure [33].

3.2. Results of Study 1: Quantitative and Qualitative Content Analysis of Annual Reports

Study 1 examined several aspects of the sustainability reporting of the 10 biggest Swiss and German companies in terms of market capitalization. We focused on the overall reporting volume, the reporting volume of specific dimensions of corporate responsibility, and aspects of COVID-19 pandemic countermeasure reporting. In a first step, the quantitative content analysis examined the scope of the company reports. In Switzerland, the volume increased in 7 out of 10 of the companies we examined, and it decreased in three of them between 2019 (pre-COVID-19) and 2020 (see Table 1 below).

Table 1. Reporting volume of the 10 biggest companies in Switzerland in 2019 and 2020.

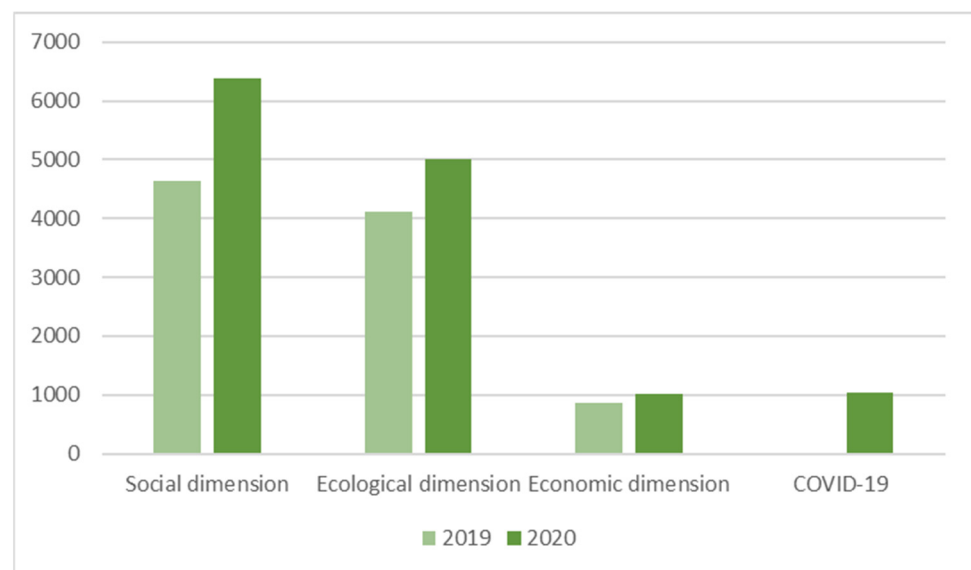
Company	Number of Pages 2020	Number of Pages 2019	Change in %
ABB	133	55	+142
LafargeHolcim	89	93	−4
Lonza	68	62	+10
Nestlé	161	58	+178
Novartis	94	70	+34
Richemont	114	108	+6
Roche	113	106	+7
Sika	67	77	−13
UBS	140	174	−20
Zurich Insurance	73	44	+66

In Germany, a similar picture emerged, with 7 out of 10 companies showing an increased volume, while three companies had reduced their reporting volume in 2020 compared to 2019 (see Table 2).

Table 2. Reporting volume of the 10 largest companies in Germany in 2019 and 2020.

Company	Number of Pages 2020	Number of Pages 2019	Change in %
Adidas	90	58	+32
Allianz	136	102	+34
BASF	81	65	+16
Bayer	96	72	+24
BMW	128	143	−15
Daimler	194	205	−11
Deutsche Post	33	59	−26
Deutsche Telekom	159	113	+46
SAP SE	106	104	+2
Siemens	144	64	+80

Next, a content analysis examined the number of words devoted to each sustainability dimension (social, ecological, and economic). In addition, the number of words written on the COVID-19 pandemic was analyzed. In Switzerland, the sustainability reports show an increase in reporting volume in all sustainability dimensions as well on the topic of COVID-19 itself, with the highest increase in the social dimension (see Figure 1).

**Figure 1.** Number of words dedicated to the social, ecological, and economic dimensions of sustainability and the COVID-19 pandemic in the company reports of Swiss companies for 2019 and 2020.

A similar picture emerged for the companies in Germany: there was an increase in reporting volume in all sustainability dimensions and also an increase in reporting volume concerning the COVID-19 pandemic (see Figure 2 below).

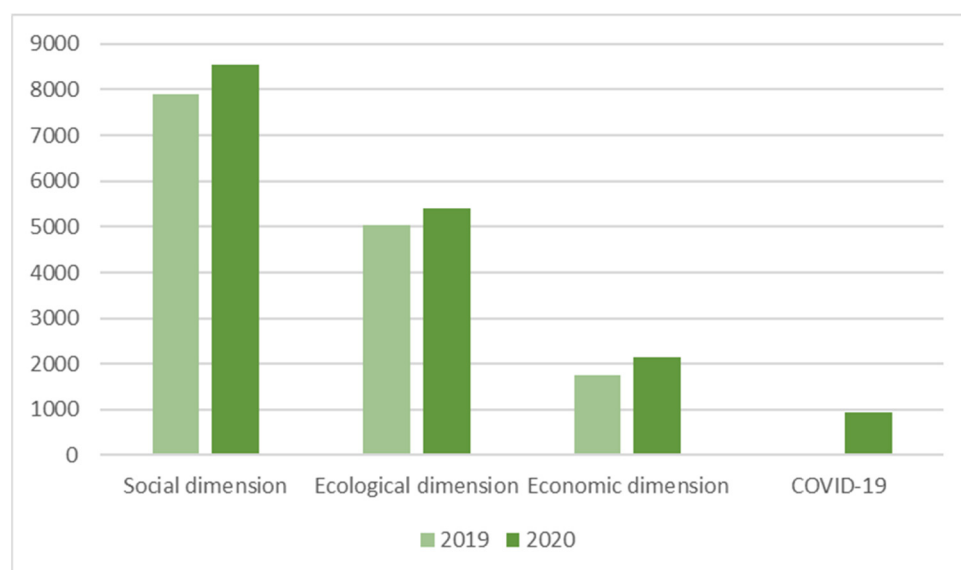


Figure 2. Number of words dedicated to the social, ecological, and economic dimensions of sustainability and the COVID-19 pandemic in the company reports of German companies for 2019 and 2020.

In what we defined as the COVID-19 dimension, the Swiss reports describe economic measures, measures for employees, measures for customers, support for public institutions, non-governmental organizations (NGOs), and non-profit organizations (NPOs), measures for society, and internal company measures (see Figure 3 below), with most of this content concerning economic measures, measures for employees, measures for public institutions/NGOs, and measures for society.

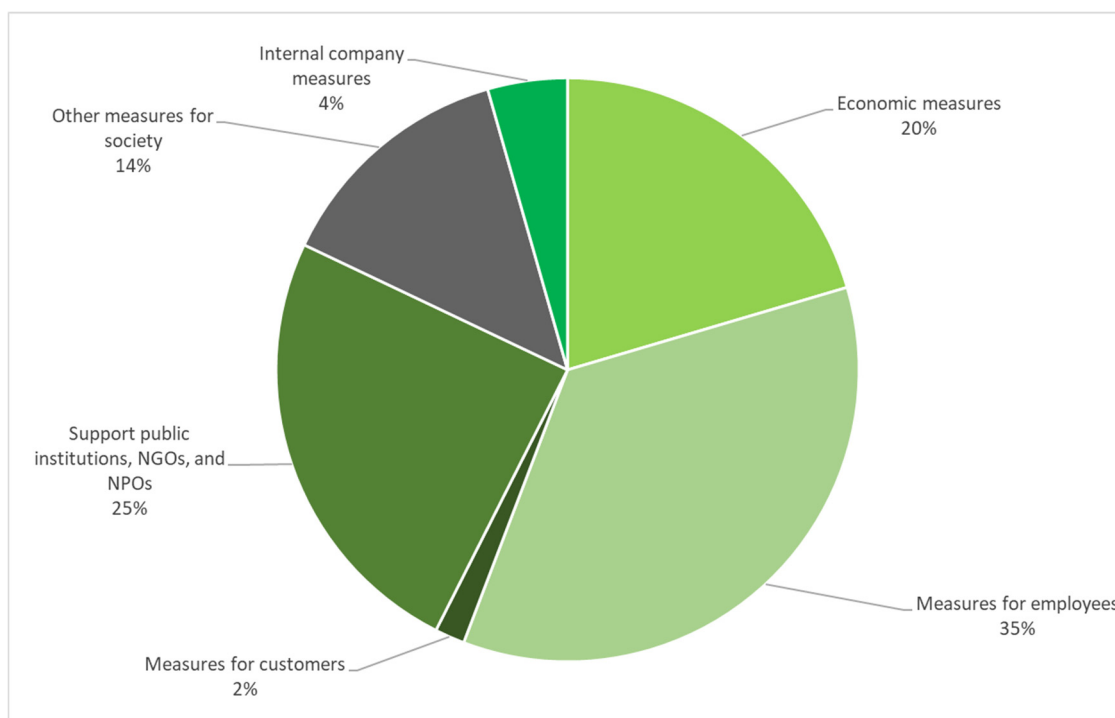


Figure 3. Types of measures attributed to the COVID-19 dimension in the company reports of Swiss companies in 2020.

In the German reports, a similar picture emerged for the COVID-19 dimension, where most of the content referred to economic measures, measures for employees, and support for public institutions, NGOs, and NPOs (see Figure 4).

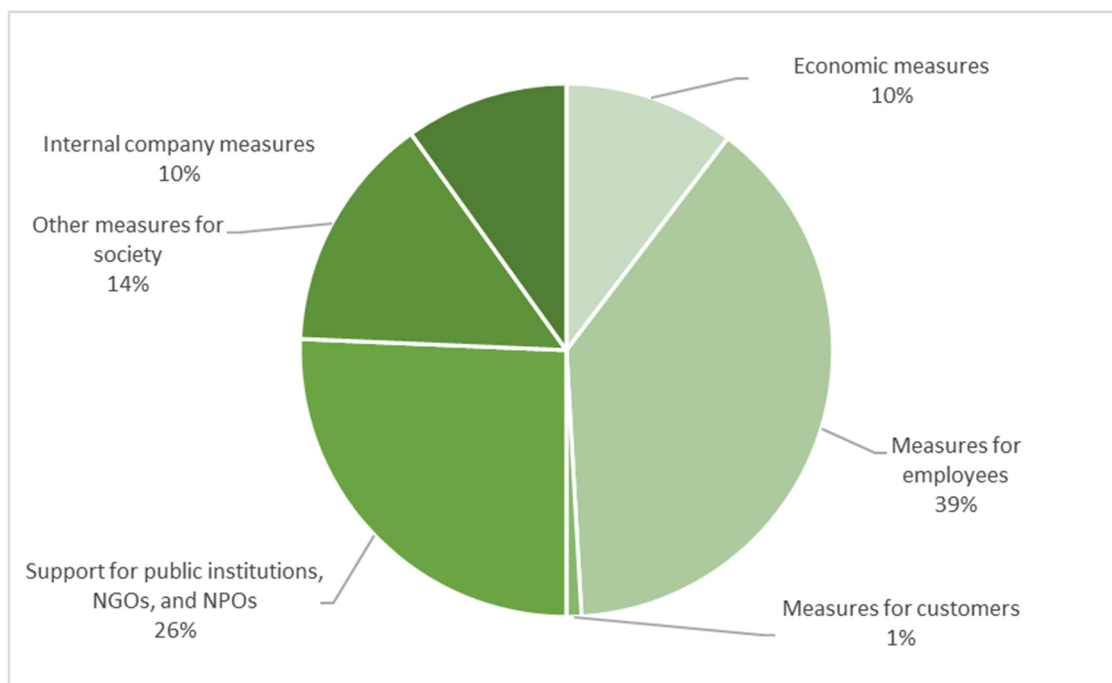


Figure 4. Types of measures attributed to the COVID-19 dimension in the annual reports of German companies in 2020.

Concerning measures to support employees during the COVID-19 pandemic (i.e., the category “measures for employees”), several types of measures can be distinguished. In Switzerland, the part of the reports dedicated to the COVID-19 dimension mainly features security measures for those working from home, updated guidelines, tools assisting with occupational health (both physiological and psychological), and online training, with security measures related to staff working from home ranking highest (see Figure 5).

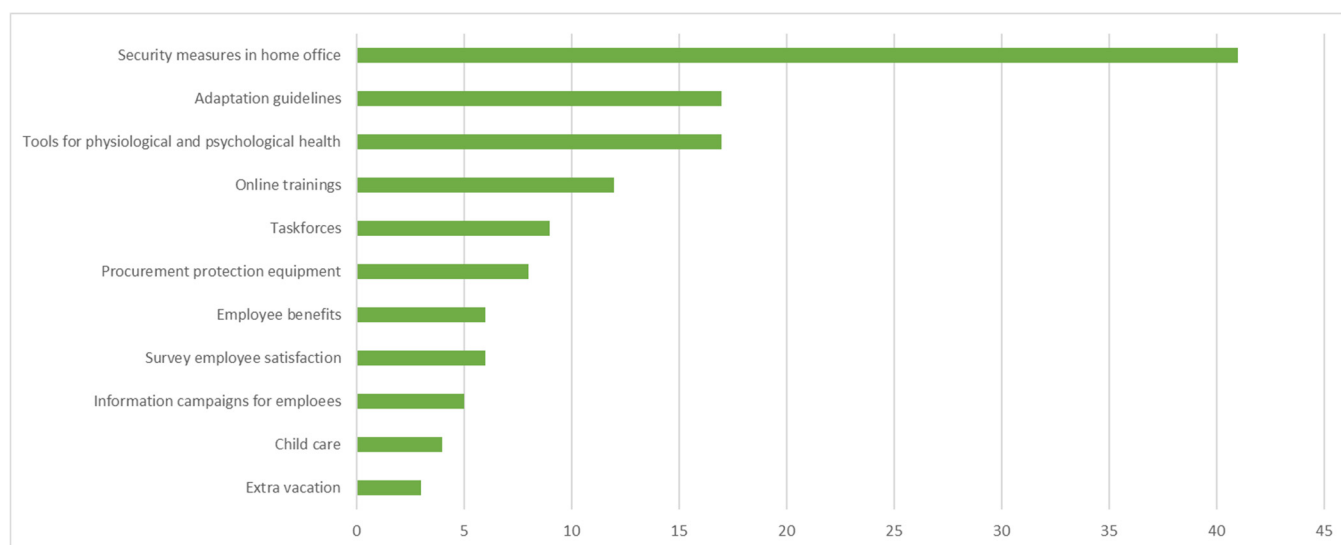


Figure 5. Types of measures described in the category “measures for employees” forming part of the COVID-19 dimension in the company reports of Swiss companies in 2020.

In Germany, measures for online training, security measures for employees working from home, updated guidelines, and tools for the physiological and psychological health of employees constitute the majority of the “measures for employees” in the COVID-19 dimension (see Figure 6).

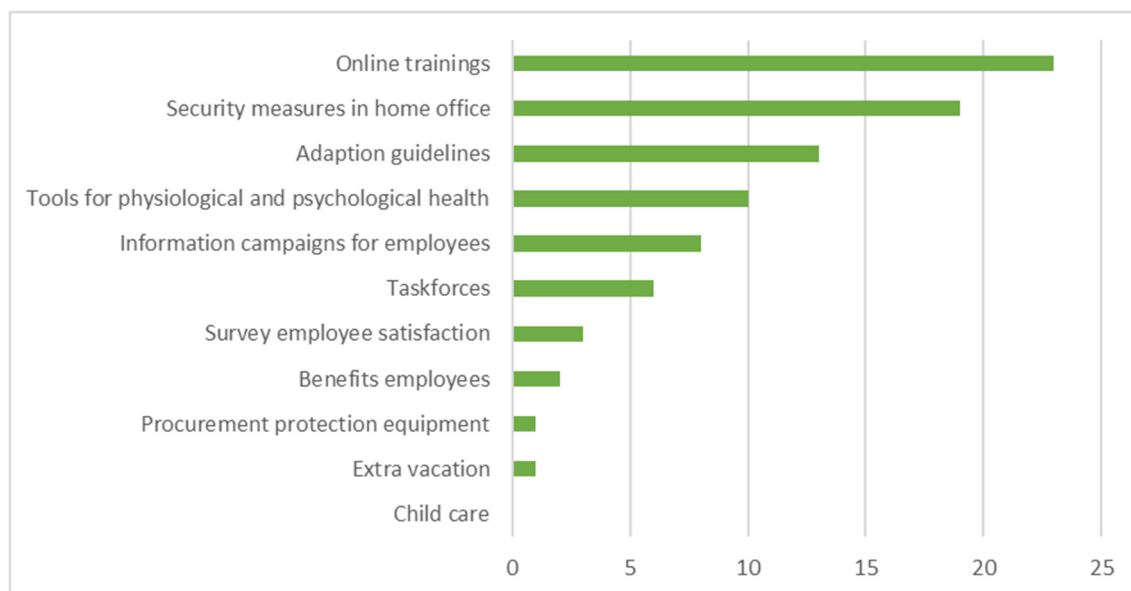


Figure 6. Types of measures described in the category “measures for employees” as part of the COVID-19 dimension in the annual reports of German companies in 2020.

3.3. Discussion of Study 1 Findings

Study 1 used quantitative and qualitative content analysis [33] to uncover the main trends in corporate responsibility reporting during the COVID-19 pandemic. Based on a sample of the 10 largest companies by market capitalization in Switzerland and Germany, *Study 1* aimed to investigate whether or not corporate responsibility reporting changed during the COVID-19 crisis. To sum up, the analysis of the 2019 and 2020 annual reports shows an increase in reporting volume not only overall but also in each sustainability (i.e., ecological, social, and economic) dimension, with the highest increase in the social dimension. In addition, most of the companies analyzed in both countries show a tendency, presumably as a reaction to the pandemic, to focus on in-house corporate responsibility topics such as online training and occupational health, rather than on upstream or downstream value chain sustainability topics. The overall small differences between the two countries in the way non-financial reporting has changed during the pandemic are also interesting with regard to the different legal frameworks. While all the companies surveyed in Germany have been obliged to report on CSR-relevant topics as part of a non-financial statement since 2017, voluntary reporting still applies in Switzerland. Whether the different legal frameworks have led to differences in the quality of CSR reporting between the two countries has been understudied. Our results do not indicate this. While *Study 1* showed an increase in reporting related to corporate responsibility, to explore aspects of corporate resilience to the impact of the pandemic, we conducted an online survey of Swiss managers in *Study 2*.

3.4. Methodology of Study 2: A Quantitative Survey among Swiss Managers

3.4.1. Sample

Our study was based on unique cross-sectional data collected in an online survey of executives from various companies in German-speaking Switzerland in 2021. The study design followed a strategy to obtain responses from a specific population (i.e., participants with management responsibilities). In March 2021, more than 900 employees in leadership

and corporate responsibility management positions were invited by email to participate in the survey. The main objective of the survey was to assess the framework conditions for corporate responsibility activities in Swiss companies during the COVID-19 pandemic in the period from 2019 to 2021 and to uncover possible relationships between corporate responsibility management and aspects of business resilience. Using Questback, an online survey tool, participants were asked to answer a series of questions in German. This questionnaire and the survey procedure had previously been tested and optimized using an independent sample. Respondents were only required to answer the survey questions they felt competent to answer.

The study sample included 108 valid responses representing various Swiss companies and industries. As corporate responsibility was the key aspect of this study, respondents who did not provide any information on the corporate responsibility section were removed from the sample. Of this sample, 36 (33.3%) participants reported that they were part of their company's senior management, 38 (35.2%) in middle or upper management, and 20 (18.5%) in lower management; 14 stated that they were skilled workers. A total of 22 (20.4%) of valid respondents indicated that they had completed further training in corporate responsibility management.

A total of 33 percent ($n = 36$) of the companies in our survey stated that their products are distributed worldwide and that they are part of a multinational structure. The majority of them are part of the machinery, electrical, and metal industries. An overview of the specific industries is shown in Table 3. Of the companies surveyed, 5.6% ($n = 6$) of respondents have 1–3 employees, 8.3% ($n = 9$) 4–9 employees, 15.7% ($n = 17$) 10–49 employees, 16.7% ($n = 18$) 50–249 employees, 21.3% ($n = 23$) 250–999 employees, and 32.4% ($n = 35$) more than 1000 employees.

Table 3. Industries covered in the quantitative survey among Swiss managers.

Type of Industry	Number of Companies	Frequency
Machinery, electrical, and metal	16	14.8
Other services	14	13
Construction	13	12
Financial and insurance service providers	10	9.3
Public administration	6	5.6
Retail trade	4	3.7
Energy and water supply	4	3.7
Hospitality and tourism	4	3.7
IT and telecommunications	4	3.7
Food and beverage	4	3.7
Health and welfare	3	2.8
Education and teaching	2	1.9
Wholesale	2	1.9
Transport and delivery	2	1.9
Chemistry and pharmaceuticals	1	1
Art, entertainment, and recreation	1	0.9
Others and missing values	18	16.7

3.4.2. Dependent Variables

As business success can be measured in various ways (e.g., revenues, sales volume, and increase in cash flow), two dependent variables were created. First, consistent with previous research, respondents were asked to estimate perceived revenues in 2019, 2020,

and 2021 (before and during the COVID-19 pandemic) for their companies. Second, we calculated the difference between perceived and actual revenues for 2021 and 2019, as well as for 2020 and 2019. This approach enabled us to measure the changes in performance and growth retrospectively from the perspective of the managers surveyed.

Business performance: Each indicator of perceived performance in 2019 and 2020 and expected performance in 2021 was rated on one item on a seven-point Likert scale with anchors of 1 (existence-threatening) and 7 (very good). Sample items were (I) “In 2019 (before the COVID-19 pandemic), I assessed the demand for our products/services as (Existence-threatening, Poor, Rather Poor, Neither Good nor Poor, Rather Good, Good, Very Good)”, (II) “In 2020, I estimate demand for our products/services to be (Existence-Threatening, Poor, Rather Poor, Neither Good nor Poor, Rather Good, Good, Very Good)”, and (III) “By the end of 2021, I expect demand for our products/services to be (Existence-Threatening, Poor, Rather Poor, Neither Good nor Poor, Rather Good, Good, Very Good)”.

3.4.3. Independent Variable

Corporate responsibility: Drawing upon prior corporate responsibility research [36–38], we created the following set of items to shed light on different aspects of corporate responsibility management. Respondents were asked: “To what extent do you agree with each of the following statements concerning your company? And to what extent does your company promote the following aspects?”

(I) “Targeted procurement of local products/raw materials and services”, (II) “Targeted job creation for people in the region”, (III) “Enabling work to be compatible with other areas of life (e.g., caring for children or the elderly)”, (IV) “Adapting the workplace to the psychological needs of employees”, (V) “Efficient use of energy, water, and materials and replacing non-renewable resources with renewable ones”, (VI) “Adapting the workplace to the psychological needs of employees”, (VII) “Minimizing greenhouse gas emissions throughout the value chain and adapting to climate change”, (VIII) “Using energy, water and materials efficiently and replace non-renewable resources with renewable ones”, (IX) “Designing internal processes and business relationships in such a way that complicity in human rights violations can be excluded (due diligence)”, and (X) “Fighting corruption and bribery”. The items were presented on a five-point Likert scale ranging from 1 (“absolutely disagree”) to 5 (“absolutely agree”).

We also asked respondents to indicate whether their companies’ implementation of corporate responsibility topics from (I) to (VIII) had increased, stayed the same, or decreased since 2019. This allowed us to assess whether or not companies had made greater efforts in the respective areas since the outbreak of the pandemic and determine the extent to which corporate responsibility activities in the companies had changed.

3.4.4. Control Variables

In line with earlier research [36–38], we controlled for estimated turnover in 2020, type of industry, and the number of employees [39]. The type of industry in which a company operates has a significant impact on the wording of the corporate responsibility policy. The different industries in our sample are listed in Table 1. For further analysis, the industries represented in our sample were divided into four sectors: (i) primary sector, (ii) secondary sector, (iii) tertiary sector, and (iv) quaternary sector (i.e., the information sector).

Revenues in 2020: Existing research clearly shows that the size of the company also correlates with corporate responsibility management efforts. We asked participants to estimate their company’s 2020 revenues using the categories noted in Table 4.

Table 4. Revenue categories used in the quantitative survey among Swiss managers, and expected revenues in 2020.

	Primary Sector	Secondary Sector	Tertiary Sector	Quaternary Sector
Less than CHF 2 million	0	2	11	3
CHF 2–10 million	0	6	3	2
CHF 10–50 million	0	7	7	4
CHF 50–250 million	3	13	5	2
CHF 250–1 billion	2	7	3	0
More than CHF 1 billion	1	11	20	4

3.5. Results of Study 2

3.5.1. Preliminary Analysis

Descriptive statistics and correlations for the study constructs are presented in Table 5 below. High-to-moderate correlations among variables are shown by all the constructs of this study (except for the corporate responsibility subtopic “addressing human rights and corruption”). For example, regional supply, the procurement of local products/raw materials and services, demonstrated significant and positive relationships with job creation for people in the region ($r = 0.58, p < 0.001$), and renewables also exhibited a strong, positive, and significant correlation with emissions ($r = 0.86, p < 0.001$). The topic “human rights” refers to internal processes and business relationships that should be designed in such a way that complicity in human rights violations can be excluded. These findings demonstrate a significant and positive relationship with the topic of fighting corruption ($r = 0.68, p < 0.001$).

As the mean values in Table 5 show, certain companies made an initial effort in the area of corporate responsibility. Some topics (e.g., anti-corruption) are already more firmly anchored in the companies than other topics (e.g., health at work—adapting the workplace to the psychological needs of employees). However, the topics of employee satisfaction and occupational health are shown to have been massively expanded compared to 2019 (pre-pandemic). As Figure 7 below shows, emissions were greatly reduced when the business model was implemented during the pandemic. In contrast, the issues of corruption, human rights, and a focus on regional employees and supplies were not greatly affected.

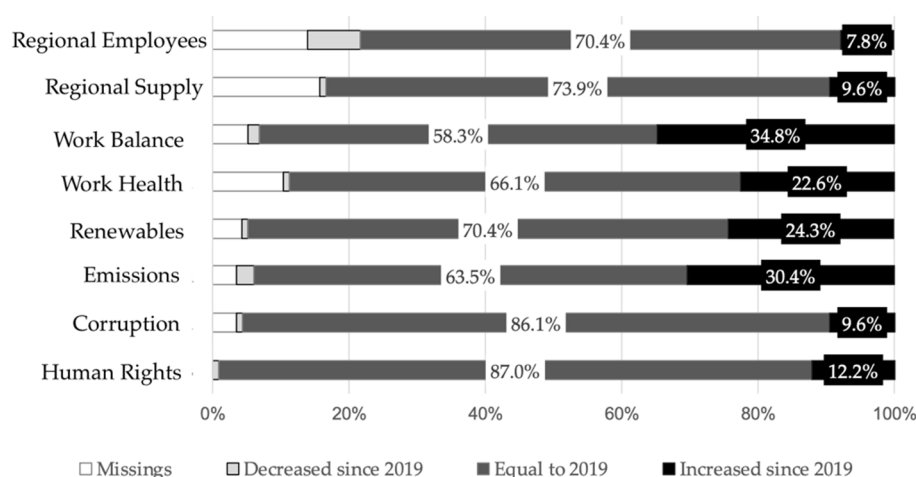
**Figure 7.** Descriptive analysis of corporate responsibility management during the pandemic.

Table 5. Means, standard deviations, and correlations with confidence intervals in *Study 2*.

Variable	M	SD	1	2	3	4	5	6	7
1. Regional suppliers	2.94	1.43							
2. Regional employees/recruiting	2.75	1.37	0.58 **						
			[0.44, 0.69]						
3. Work balance	3.31	1.11	0.12	0.21 *					
			[−0.07, 0.30]	[0.02, 0.38]					
4. Occupational health	2.80	1.06	0.22 *	0.32 **	0.62 **				
			[0.03, 0.39]	[0.14, 0.48]	[0.48, 0.72]				
5. Renewables	3.52	1.16	0.30 **	0.34 **	0.34 **	0.36 **			
			[0.12, 0.46]	[0.16, 0.49]	[0.16, 0.50]	[0.18, 0.51]			
6. Emissions	3.32	1.28	0.29 **	0.31 **	0.34 **	0.34 **	0.86 **		
			[0.11, 0.46]	[0.13, 0.47]	[0.16, 0.49]	[0.16, 0.50]	[0.80, 0.90]		
7. Human rights	3.66	1.19	0.14	0.12	0.14	0.15	0.42 **	0.48 **	
			[−0.05, 0.32]	[−0.07, 0.30]	[−0.05, 0.32]	[−0.04, 0.33]	[0.25, 0.57]	[0.32, 0.62]	
8. Corruption	3.78	1.26	0.18	0.22 *	0.04	0.11	0.39 **	0.36 **	0.68 **
			[−0.01, 0.36]	[0.03, 0.39]	[−0.15, 0.22]	[−0.08, 0.30]	[0.22, 0.54]	[0.19, 0.52]	[0.56, 0.77]

Note: M and SD are used to represent mean and standard deviation, respectively. Values in square brackets indicate the 95% confidence interval for each correlation. The confidence interval is a plausible range of population correlations that could have caused the sample correlation (Cumming, 2014). * indicates $p < 0.05$. ** indicates $p < 0.01$.

3.5.2. Corporate-Responsibility-Specific Effects on Expected Business Performance in 2021

As shown in Table 6, Ordinary Least Squares (OLS) regressions were performed including the business performance for the three years (2019–2021) as a dependent variable. We checked for multicollinearity problems by calculating variance inflation factors (VIFs) for all models. The highest VIF was substantially below the critical value of 5, which indicates that multicollinearity is unlikely to be a concern in our study.

Table 6. Corporate-responsibility-specific effects on expected business performance in 2021.

	Dependent Variable		
	Business 2019	Business 2020	Business 2021
	(1)	(2)	(3)
Revenue in CHF	0.13 (0.08)	0.16 (0.11)	0.05 (0.11)
Delta Region Supply	−0.49 (0.48)	−0.46 (0.67)	−0.72 (0.69)
Delta Region Employees	0.24 (0.38)	1.68 ** (0.52)	1.93 *** (0.53)
Delta Work Balance	−0.02 (0.30)	0.13 (0.41)	−0.02 (0.42)
Delta Occ. Health	−0.61 (0.34)	0.04 (0.47)	0.53 (0.48)
Delta Renewables	0.52 (0.47)	−0.30 (0.66)	0.35 (0.67)
Delta Emissions	−0.05 (0.41)	0.02 (0.57)	−0.07 (0.59)
Delta Corruption	−0.08 (0.54)	0.28 (0.74)	0.13 (0.76)
Delta Human Rights	−0.34 (0.55)	−0.05 (0.77)	−0.42 (0.78)
Constant	7.38 *** (1.47)	2.29 (2.05)	1.76 (2.10)
Observations	73	73	72
R ²	0.11	0.19	0.22
Adjusted R ²	−0.02	0.08	0.11
Residual Std. Error	1.09 (df = 63)	1.52 (df = 63)	1.55 (df = 62)
F Statistic	0.86 (df = 9; 63)	1.69 (df = 9; 63)	1.98 (df = 9; 62)

Note: ** indicates $p < 0.01$. *** indicates $p < 0.001$.

The results show that a greater effort to hire local employees had a positive effect on perceived business performance in 2020 and expected 2021 revenues. However, we did not find that a greater focus on corporate responsibility topics (e.g., efforts to prevent corruption) had an impact on perceived business performance in 2019, 2020, or 2021.

Consistent with our hypothesis, we then asked the Swiss managers whether efforts made to implement corporate responsibility measures related to the subtopics described above would protect companies from business performance fluctuations during the COVID-19 pandemic. We used the difference between the expected performance in 2021 and 2019 in Model (4) and the difference between the expected performance in 2020 and 2019 as well as in 2021 and 2020 in Model 6 as the dependent variable in OLS regressions. The results are presented in Table 7 below. In addition to a regional focus (local employees), we found that mental health investments between 2019 and 2020 had a positive impact on the difference in expected company performance between 2021 and 2019, indicating a resilience effect of corporate responsibility management during the pandemic.

Table 7. Differences in the effects on expected business performance in 2020 and 2021.

	Dependent Variable		
	Business 2021– Business 2019	Business 2020– Business 2019	Business 2021– Business 2020
	(4)	(5)	(6)
Revenue in CHF	−0.10 (0.13)	0.03 (0.13)	−0.10 (0.06)
Delta Region Supply	−0.23 (0.79)	0.03 (0.80)	−0.26 (0.39)
Delta Region Employees	1.69 ** (0.62)	1.44 * (0.62)	0.25 (0.30)
Delta Work Balance	0.04 (0.49)	0.16 (0.49)	−0.16 (0.24)
Delta Health	1.18 * (0.55)	0.65 (0.56)	0.49 (0.27)
Delta Renewables	−0.18 (0.78)	−0.82 (0.78)	0.65 (0.38)
Delta Emission	0.02 (0.68)	0.07 (0.68)	−0.10 (0.33)
Delta Corruption	0.24 (0.88)	0.36 (0.89)	−0.16 (0.43)
Delta Human Rights	−0.07 (0.90)	0.28 (0.91)	−0.37 (0.44)
Constant	−5.89 * (2.42)	−5.09 * (2.44)	−0.49 (1.19)
Observations	72	73	72
R ²	0.17	0.13	0.15
Adjusted R ²	0.05	0.0002	0.02
Residual Std. Error	1.79 (df = 62)	1.81 (df = 63)	0.88 (df = 62)
F Statistic	1.43 (df = 9; 62)	1.00 (df = 9; 63)	1.18 (df = 9; 62)

Note: * indicates $p < 0.05$. ** indicates $p < 0.01$.

3.6. Discussion of Study 2 Findings

Study 2 is based on a quantitative online survey among Swiss managers on changes in their companies' corporate responsibility management during the COVID-19 crisis and aspects of business resilience during the COVID-19 pandemic. It examined the extent to which specific corporate responsibility measures were implemented and whether, in the opinion of the surveyed managers, they had increased, stayed the same, or decreased in importance since 2019 (i.e., before the COVID-19 pandemic). The results show that, in some companies, almost all corporate responsibility aspects changed in importance, while topics such as work–life balance, occupational health, emissions, and renewables increased in importance in most companies.

These findings are similar to the results of *Study 1*, where occupational health (i.e., tools for physical and psychological health), was in third place for measures implemented during the COVID-19 pandemic in Swiss companies, and in fourth place in German companies. In addition, the two corporate responsibility aspects of occupational health and local recruitment are positively correlated with expected business success during the COVID-19 pandemic.

4. General Discussion

This section discusses our findings in the context of the literature and theoretical considerations. After a brief discussion of the results, we describe similarities and differences in the results gained by the two studies we conducted. Finally, we link the results to the theories of moral capital and reputational capital.

During the COVID-19 pandemic, a majority of the companies analyzed in Switzerland and Germany expanded their sustainability reporting overall as well as in all three (ecological, social, and economic) sustainability dimensions. This is partly surprising, as in times of crisis with decreased turnover and profits a reduction in corporate responsibility management and reporting might be expected. One reason might be a delayed response to

the launch of the new Sustainability Reporting Standards of the GRI in 2018, which all the companies analyzed recognize.

As a reaction to the COVID-19 crisis, there seems to be a tendency in corporate responsibility management to shift away from upstream and downstream sustainability topics and to focus more on in-house sustainability topics. In the value chain concept of Porter and Kramer [40], this is a shift from primary activities, such as logistics or marketing and sales, to support activities, such as human resource management. Indeed, the results of *Study 2* show that the corporate responsibility topics of work–life balance, occupational health, emissions, and renewables increased in importance during the reported period, all of them being primarily in-house topics.

In addition, our results of *Study 1* show that responsive measures to the pandemic also included online training for employees, security measures for employees working from home, the adaptation of security guidelines, and tools to help employees maintain and increase their physiological and psychological health, among others—all being in-house topics.

Third, the results of *Study 2* show that more investment in local recruitment and occupational health—again in-house topics—can have a positive effect on the expected financial performance as perceived by management. This is in line with Mahmud et al. [8], who also showed a stronger focus on employees in corporate responsibility management during the COVID-19 pandemic. Similarly, Aguinis et al. [41] noted a stronger focus on employees in companies' corporate responsibility management during the COVID-19 crisis.

In addition, the results of *Study 2* show a correlation between the two corporate responsibility topics of local recruitment and occupational health with expected financial performance—which implies some confidence in the financial resilience of the company. This finding supports theoretical considerations on the potential insurance function of corporate responsibility management in times of crisis. Both the theory of reputational capital [24,30] and the theory of moral capital [23,31] propose that corporate responsibility management can provide insurance capital for companies, which helps to maintain a certain financial performance in times of crisis.

The results of *Study 2* show that two aspects of corporate responsibility management, local recruitment and occupational health, are positively correlated with expected financial performance and in this way contribute to business resilience in times of crisis. There is, therefore, some evidence of a stronger emphasis on in-house corporate responsibility issues. As a result, corporate responsibility strategies can take on a more reflexive character, which makes them more important as an organizational resilience factor in a crisis.

Our results support findings in the literature on the relationship between corporate responsibility management and firm resilience. In their analysis of 1597 listed Chinese corporations, Huang et al. [17] suggested that companies with higher corporate responsibility performance before the crisis will experience fewer financial losses and will take a shorter time to recover from the crisis. Similarly, Qiu et al. [13] used an event study and a difference-in-difference method to conclude that companies engaging in corporate responsibility activities can increase stock returns during the pandemic. Finally, Rodriguez-Sanchez et al. [11] researched a sample of 296 companies from different sectors to show that corporate responsibility management, especially management activities targeting employees, has a positive influence on business resilience.

5. Conclusions

This article focuses on two issues. First, it describes how corporate responsibility management and corporate responsibility reporting activities have changed during the COVID-19 crisis. Second, it examines how corporate responsibility management is related to aspects of business resilience in terms of a company's ability to maintain its expected financial performance in times of crisis, such as during the COVID-19 pandemic. Finally, it hypothesizes that certain corporate responsibility topics have a positive effect on expected business performance.

The following results are presented. Since the beginning of the COVID-19 pandemic, many companies in Switzerland and Germany have expanded their sustainability reporting overall, and especially concerning the ecological, social, and economic dimensions. During the pandemic, there seems to be a tendency in corporate responsibility management to shift away from upstream and downstream sustainability topics to in-house sustainability topics such as occupational health and more local recruitment. Finally, there is a correlation between local recruitment and occupational health with expected financial performance as one aspect of maintained business resilience. Our results provide further evidence to support both the theory of moral capital [23] and the theory of reputational capital [24], both of which suggest that corporate responsibility management can provide insurance and can increase organizational resilience in difficult times. However, we urge future research to investigate the mechanisms of how organizations and companies in different industries can benefit from corporate responsibility management in times of crisis and to develop a theoretical model to guide this process for future crises.

Our research has a few limitations which might be addressed by future research. These include the sample size in both *Study 1* and *Study 2* and the fact that our results are valid for Germany and the German-speaking part of Switzerland only. A topic that future research should elaborate on in more depth is whether or not, and to what extent, corporate responsibility management activities can enhance business resilience in terms of a maintained (expected) financial performance in times of crisis and can thus contribute towards achieving more confidence and endurance capital during times of crisis.

Author Contributions: Conceptualization: R.B., H.W. and F.S.B.; methodology and software: R.B. and G.W.; formal analysis: R.B., G.W., H.W. and F.S.B.; writing—original draft preparation: F.S.B.; writing—review and editing: R.B., H.W. and G.W. All authors have read and agreed to the published version of the manuscript.

Funding: This research received no external funding.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: Original data can be made available via frido_brand@hotmail.com.

Acknowledgments: We acknowledge the support of Benedikt Zoller-Rydzek and Florian Keller.

Conflicts of Interest: The authors declare no conflict of interest.

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