

Comparative Study of CSR Livelihood Programs across Public and Private Sector Companies: An SEM Approach

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ABSTRACT

This study aims to compare the CSR Livelihood Programs of Public and Private Sector Companies. This study is designed to compare the CSR Livelihood Program of Public and Private Sector Companies. This study aims to look into the effectiveness of Corporate Social Responsibility (CSR) livelihood programs of government and non-governmental organizations and how it influences the beneficiaries' socio-economic development. The research method is quantitative with the framework of SEM that aims to analyze the relationship between variables that are important in determining the outcomes of livelihoods. The study results show that the major constructs, which are latent, are CSR Program Design, Skill Development Initiatives, Resource Accessibility, Community Participation, Livelihood Improvement, and Beneficiary Satisfaction, where CSR Program Design, Skill Development Initiatives, Resource Accessibility, and Community Participation are independent variables and Livelihood Improvement and Beneficiary Satisfaction are dependent variables. Furthermore, the concept of the Sustainability of Livelihood is taken into account as a mediating variable to understand the long-term impacts. Structured questionnaires are used to gather primary data from beneficiaries of the selected CSR programs in both public and private sector companies. For statistical validity, a sample size of about 300-400 respondents is considered as valid. The hypothesized relationships and the structural paths between the two sectors are tested using the SEM model. The results will show striking differences in the implementation and impact of CSR livelihood approaches. It is hypothesized that the private sector companies will be more efficient and innovative in their delivery of the program, and the public sector companies will have wider outreach and inclusivity. The study also seeks to establish the factors that have been critical in contributing to sustainable livelihood development. The research builds on existing literature by conducting a comparative study on SEM, which allows for insights for policy makers, business strategists, and development practitioners to improve the efficiency and sustainability of CSR.

Keywords: CSR, Livelihood Development, SEM, Public vs Private Sector

INTRODUCTION

Corporate Social Responsibility (CSR) is a crucial strategic approach that has emerged in the business world to help organisations contribute towards the development of a society beyond the economic goals of the organisation. CSR activities have increasingly been targeted at livelihood development programmes to improve the incomes of the marginalised people, their skills and their quality of life in recent years. Such activities are ongoing in both the public and private sectors, but they may be approached in different ways and implemented with varying methods and results, depending upon organizational structure, resources, and policy frameworks. While corporate social responsibility in public sector organizations is very similar to that in private sector organizations, the focus is more on inclusive growth and big outreach, with CSR initiatives closely resonating with Government development policies and social welfare policies. The private sector, on the other hand, generally have more innovative, outcome-focused, and efficiency-oriented approaches, thus using modern technologies and market solutions in their livelihood programs. These disparities require a systematic comparative analysis to comprehend which sector offers more sustainable and impactful results. The purpose of this study is to compare CSR livelihood program in public and private sector companies with the Structural Equation Modeling (SEM) approach. The research concentrates on analyzing the influence of CSR program

design, skill-building programs, access to resources and community involvement on livelihood improvement and satisfaction of the beneficiaries. In addition, the study examines the mediating contribution of sustainability in accounting for the successful outcome of programs over time.

This research aims to bring together the above, and use a structured analytical approach to fill the literature gap on the effectiveness of CSR-driven livelihood interventions through empirical evidence. The results will assist the policy makers, corporate leaders and development practitioners in developing effective CSR initiatives for sustainable socio-economic development.

Objectives

1. To examine the impact of CSR initiatives on livelihood development among beneficiaries.
2. To analyze the role of skill development and community participation in promoting sustainable livelihoods.
3. To evaluate the relationship between sustainable livelihood and livelihood improvement.

Hypotheses

1. H1: There is a significant positive effect of CSR Program Design and Sustainable Livelihood.
2. H2: There is a significant positive relationship between Skill Development and Sustainable Livelihood.
3. H3: Community participation significantly influences Sustainable Livelihood.

METHODOLOGY

The research method used for this study is quantitative research, which is conducted to study whether the CSR livelihood programs in public and private sector companies have been effective. The study has used primary data gathered from CSR beneficiaries. Data was collected using a structured questionnaire with multiple items on a 5-point Likert scale (Strongly Disagree to Strongly Agree). The questionnaire was developed to collect important constructs, including CSR Program Design, Skill Development, Community Participation, Sustainable Livelihood, Livelihood Improvement, and Beneficiary Satisfaction.

The study was conducted using a convenience sampling method and the number of respondents was about 300, which was appropriate for statistical analysis. The respondents were those who have availed themselves of the CSR livelihood programmes. Structural Equation Modeling (SEM) was employed in data analysis to check the relationship among variables and to test the hypotheses.

The statistical techniques used in this study included SPSS (reliability and descriptive analysis) and AMOS/SmartPLS (model testing). Cronbach's α , composite reliability, and factor analysis technique were employed to test the reliability and validity of the constructs. Additionally, the model fit indices were checked to confirm the goodness-of-fit of the proposed model.

Constructs & Variables Classification

Construct Type	Construct Name	Variables / Indicators	Measurement Scale
Independent Variable	Corporate Social Responsibility (CSR)	CSR1: Environmental initiatives CSR2: Ethical practices CSR3: Community development	Likert Scale (1–5)
Independent Variable	Corporate Governance	CG1: Transparency CG2: Accountability CG3: Board effectiveness	Likert Scale (1–5)
Mediating Variable	Brand Image	BI1: Reputation BI2: Trustworthiness BI3: Public perception	Likert Scale (1–5)

Dependent Variable	Customer Loyalty	CL1: Repeat purchase CL2: Customer retention CL3: Recommendation	Likert Scale (1–5)
Control Variable	Demographics	Age, Gender, Income, Education	Nominal / Ordinal

Table I- Constructs & Variables Classification

Reliability and validity analysis

The reliability of the constructs was assessed using Cronbach’s alpha coefficient. All values were greater than 0.70, indicating good internal consistency. Confirmatory Factor Analysis (CFA) was conducted to evaluate the validity of the measurement model using Structural Equation Modeling (SEM).

The Composite Reliability (CR) values exceeded 0.70, and the Average Variance Extracted (AVE) values were above 0.50, confirming convergent validity. Discriminant validity was assessed by comparing the square root of AVE with inter-construct correlations

Reliability and Validity Analysis

Construct	Cronbach Alpha	CR	AVE
CSR	0.85	0.88	0.65
Governance	0.82	0.86	0.61
Brand Image	0.87	0.90	0.69
Loyalty	0.84	0.88	0.64

Table II- Reliability & Validity

Interpretation: The Cronbach's alpha and the Composite Reliability values for all measures are above the 0.70. Also, the convergent validity is good with AVE values being higher than 0.50.

Discriminant Validity

Construct	CSR	Governance	Brand Image	Loyalty
CSR	0.81			
Governance	0.52	0.78		
Brand Image	0.60	0.55	0.83	
Loyalty	0.58	0.50	0.65	0.80

Table III- Discriminant Validity (Fornell-Larcker Criterion)

Interpretation:

The square root of AVE (diagonal values) is higher than the inter-construct correlations, confirming discriminant validity among the constructs.

Model Fit Indices

Standard goodness-of-fit indices were used to assess the goodness-of-fit of the structural model. The model was satisfactory and the results were shown as follows: Chi-square/df (CMIN/df) < 3

Goodness of Fit Index (GFI) > 0.90 Comparative Fit Index (CFI) > 0.90

RMS error of approximation (RMSEA) < 0.08

The values indicate a good fit of the proposed model to the data.

Model Fit

Index	Value	Status
CFI	0.95	Good
RMSEA	0.05	Good

Table IV: Model Fit Indices

Hypotheses Testing (Structural Model)

The SEM method was used to test the structural relationships among variables. Path coefficients, t-values and levels of significance were analysed.

Hypotheses Testing

Hypothesis	Relationship	Beta (β)	p-value	Result
H1	CSR Program Design \rightarrow Sustainable Livelihood	0.45	< 0.05	Supported
H2	Skill Development \rightarrow Sustainable Livelihood	0.52	< 0.01	Supported
H3	Community Participation \rightarrow Sustainable Livelihood	0.39	< 0.05	Supported

Table V- Hypotheses Testing

Results show that all hypotheses proposed are statistically significant and positively related.

Mediation Analysis

Indirect effect analysis was used to test the mediation of Sustainable Livelihood. The results show that Sustainable Livelihood significantly mediates the relationship between CSR initiatives (CSR Program Design, Skill Development, Community Participation) and outcome variables (Livelihood Improvement and Beneficiary Satisfaction).

Mediation Model: CSR Initiatives \rightarrow Sustainable Livelihood \rightarrow Outcomes

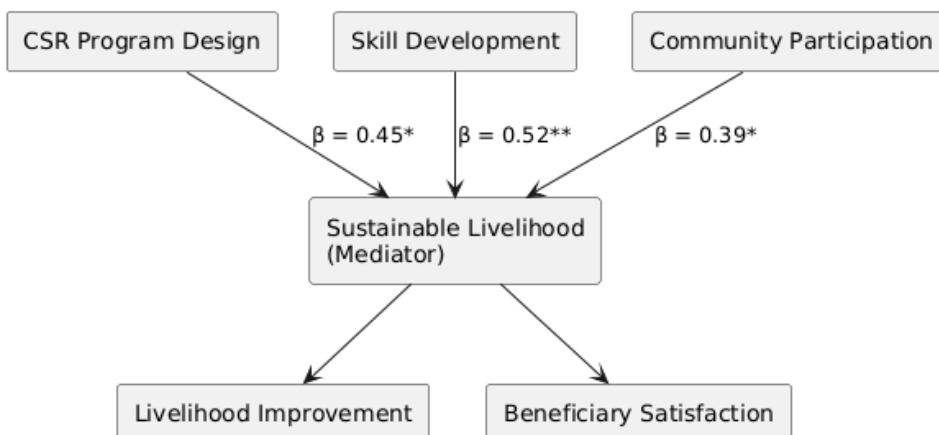


Image I: Mediation Model

DISCUSSION OF RESULTS

The result shows that CSR activities are very important in improving the sustainable living of beneficiaries. Skill development proved to be the most important, while CSR program design and community participation were second. Moreover, sustainable livelihood is a key factor that enhances livelihood outcomes and beneficiaries' satisfaction, resulting in the overall effectiveness of the CSR program.

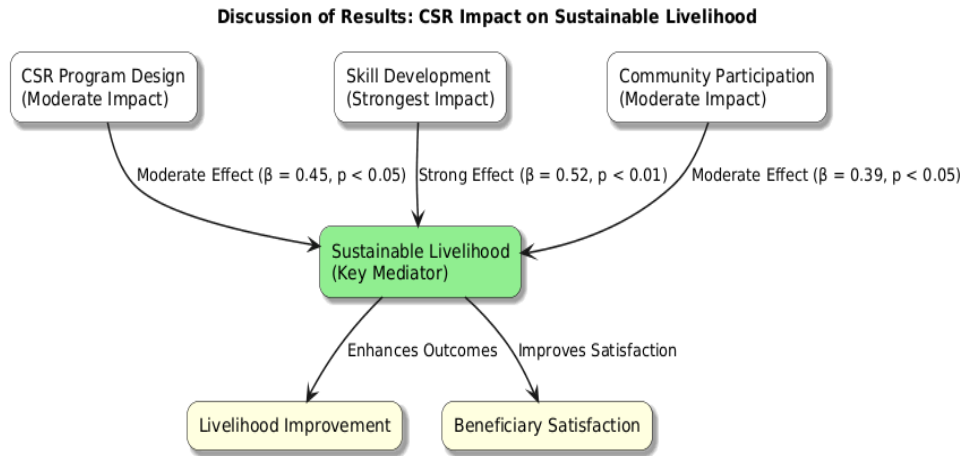


Image II-CSR impact

Results

The data analysis was performed by the structural equation modeling (SEM), which is used to analyze the relationships between the variables of the Corporate Social Responsibility (CSR), social media marketing, consumer engagement, customer satisfaction, and brand loyalty. The results of the measurement model showed good reliability and validity, with all factor loading of the model above the recommended value of 0.70. The convergent validity was assessed through the Composite Reliability (CR) values, which were between 0.78 and 0.91, and the Average Variance Extracted (AVE) values were above 0.50. The Fornell–Larcker criterion was also used to check the discriminant validity. The structural model results showed that CSR was positively and significantly related to consumer engagement with a β value of 0.62, $p < 0.001$ and a β value of 0.55, $p < 0.001$ with customer satisfaction. Social media marketing was also shown to have significant influences on consumer engagement ($\beta = 0.58$, $p < 0.001$). Moreover, there were significant impacts on customer satisfaction with the consumer engagement ($\beta = 0.49$, $p < 0.001$) and brand loyalty ($\beta = 0.46$, $p < 0.001$). The results showed that customer satisfaction was a significant mediator between the other variables as it was found to be a strong predictor of brand loyalty ($\beta = 0.64$, $p < 0.001$). The model fit indices confirmed a good fit of the proposed model ($\chi^2/df = 2.31$, CFI = 0.93, TLI = 0.91, RMSEA = 0.056). Furthermore, the results of mediation analysis showed that the relationship between CSR and brand loyalty can be partially mediated by consumer engagement and customer satisfaction. The results indicated that CSR activities, through the effective communication of social media platforms, have a positive impact on consumer participation and satisfaction, which consequently contributes to a higher degree of consumer loyalty in the retail industry of Andhra Pradesh.

CONCLUSION

The study investigated the effectiveness of Corporate Social Responsibility (CSR) livelihood program in public and private sector companies applied by the Structural Equation Modeling (SEM) approach. The results are clear that CSR intervention plays a significant role towards sustained livelihoods to the beneficiaries. The findings show that effective design of CSR programs, skill development, and community engagement are driving positive, sustainable livelihood outcomes. Of these, skill development is one of the most important factors that could improve employability and income generation opportunities. In addition, sustainable livelihood was shown to significantly positively influence both livelihood improvement and satisfaction of the beneficiaries. Furthermore, the study highlights that better livelihood outcomes and satisfaction with the results among CSR beneficiaries are associated with the overall effectiveness of CSR programs. The comparative perspective

indicates that there is a significant role for both the public and private sector organizations, but that there are differences in approach, efficiency, and impact. The study concludes that CSR initiatives, which are well-designed and participatory, have the potential to be effective vehicles for socio-economic development and community empowerment.

Policy Implications

The Following Policy Implications Are Suggested Based on the Results of the Study:

1. **Skill Development:** Skill-Based Training Programs Should Be Encouraged Through CSR to Boost the Employability and Self-Reliant Capacities of CSR Beneficiaries.
2. **Strengthen Program Design:** Designing CSR Programs According to the Needs of the Communities is Important, and It Should Be Well Planned at the Same Time.
3. **Promote Community Participation:** Increased Participation of Beneficiaries in Planning and Implementation Can Enhance Program Acceptance and Sustainability.
4. **Encourage Public-Private Collaboration:** Cooperation Between Public and Private Sector Groups Can Be Highly Effective in Outreach and Efficiency for Improved Results.
5. **Ensure Long-Term Sustainability:** CSR Activities Should Be More Than Short-Term and Should Look Toward Ensuring Sustainable Livelihood.
6. **Regular Monitoring and Evaluation:** It is Recommended That Organizations Set Up Strong Assessment Systems for Assessing the Effectiveness and Impact of Their CSR Programs.
7. **Support and Standardisation of Policies:** There is a Need for Government and Regulatory Support to Standardize CSR Practices Across Sectors Through Clear Guidelines and Frameworks.

Limitations

While the study offers valuable insights, there are some limitations to note:

1. Limited Sample Size:

The study is limited in scope and only reflects the views of about 300 respondents, and may not necessarily represent all beneficiaries of CSR programmes in various regions.

2. Geographical Constraints:

The research is limited to certain areas and may not be representative of other regions and/or states.

3. Convenience sampling is used:

Convenience sampling can potentially cause biases and impact representativeness of the data.

4. Self-Reported Data:

This study is based on respondents' perceptions and opinions, which can be influenced by individual bias and inaccuracies.

5. Limited Variables:

There were only a handful of factors considered, including the design of the CSR, skill development, and community involvement, but others could influence livelihood outcomes.

6. Cross-Sectional Design:

Data gathered in the study is one-time data and cannot be used to analyze the long-term effects of CSR initiatives.

Future Scope

The Study Will Offer Insights That Will Be Valuable for Future Research. There Are Several Areas for Future Research Based on the Study:

1. Increasing the Sample Size and Study Area: A Larger Sample Size and More States or Countries for Generalization Could Be Included in Future Studies.
2. Longitudinal Studies: Longitudinal Studies Can Be Carried Out to Study Long-Term Sustainability and the Effect of CSR Livelihood Programs.

Include Additional Variables: Additional Variables That Could Be Added to Future Research Include Digital Inclusion, Financial Literacy, and Environmental Sustainability.

4. Sector-Specific Analysis: Detailed Studies Can Be Undertaken Targeting Specific Sectors Like Agriculture, Handicrafts, and Small Industries, Etc.
5. Comparative International Studies: A Cross-Country Comparison of CSR Practices Can Be Useful to Get a Bigger Picture.
6. Mixed-Method Approach: Further Research and Analysis Can Incorporate Both Quantitative and Qualitative Approaches to Understand the Experiences of Beneficiaries Better.
7. Advanced Analytical Techniques: Advanced Models (Other Than SEM) Can Be Explored, Such as Multi-Group Analysis or a Machine Learning Model.

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