

The Impact of High-tech Enterprises Fulfilling Social Responsibilities on Financial Performance

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Abstract

This article mainly uses the stakeholder theory, taking High-tech enterprises as an example, to study the impact on corporate financial performance from six aspects of corporate social responsibility. Finally, it is concluded that the improvement of the financial performance of High-tech enterprises mainly depends on the performance of the company's social responsibility. High-tech enterprises must ensure that they assume social responsibility according to the economic and social development situation and the needs of enterprise development, so as to enhance the economic benefits of the enterprise and improve the financial Performance.

Keywords

Corporate Social Responsibility; Financial Performance; High-tech Enterprises.

1. Introduction

With the rapid economic development, High-tech enterprises have assumed great economic responsibilities in the process of development. The rapid growth of GDP is inseparable from High-tech enterprises. The contribution of High-tech enterprises to the Chinese economy is also accompanied by a certain degree of environmental pollution. The relevant beneficiaries of High-tech enterprises enjoy the benefits brought by the enterprise and should also assume corresponding social responsibilities.

The stakeholder theory believes that companies should build excellent connections with all stakeholders, and corporate financial performance can balance corporate social responsibility costs through indirect benefits [1]. In addition, resource-based theories indicate that corporate social responsibility has a positive effect on financial performance, because the development and utilization of internal resources of a company relies on the company's fulfillment of social responsibility, such as expertise and corporate culture. Pursuing social responsibility can also improve corporate social responsibility. Influence, the company gains a good reputation, which indirectly increases the income [2]. Although experts and scholars have differentiated definitions of corporate social responsibility from multiple perspectives, in essence, corporate social responsibility is the expansion of organizational results, and benign business practices can improve the effectiveness of corporate governance. Grieshuber scholars pointed out that after the financial crisis, the development of economic activities will definitely move in a sustainable direction. Based on the stakeholder theory, Aguinis and Glavas scholars have defined social responsibility from the sub-dimensions of employees, customers, suppliers, governments, and creditors. Sen scholars pointed out that the active communication activities between enterprises and stakeholders can help promote mutual relations. After setting up a social responsibility plan, it is easier to gain the trust and satisfaction of customers, employees,

suppliers and other stakeholders. Corporate financial performance reflects the ability of cost control, capital operation and resource allocation. Corporate social responsibility formulates detailed corporate plans and comprehensively considers the economic, ecological, and environmental factors of High-tech companies to ensure corporate operating performance. Reading a lot of existing corporate social responsibility related literature found that High-tech enterprises are beneficial to establish a collaborative innovation resource network with other stakeholders when they assume social responsibility, promote the development of mutual relations, and promote the exchange of value information. In the process of obtaining external information resources, it can fill in the lack of existing details of High-tech enterprises, transform the cost of social responsibility, and improve performance. Under the research and promotion of social responsibility theory, High-tech enterprises fulfill their social responsibilities and have a positive effect on improving financial performance. By exploring the relationship between the two, it can effectively promote the coordinated development of enterprises and society. With the continuous development of China's economy and the continuous enhancement of comprehensive national strength, companies should adhere to their social responsibilities and increase the initiative to promote the stable development of society on the path of growing together [3]. If High-tech enterprises cannot comply with the laws of social development and national development policies, and only consider their own interests, the reputation of the enterprise will become invalid, and the stakeholders will not cooperate with them, and the enterprise will lose more than the gains. What's more, it will bring bad international influence, lose its international competitive advantage, and block the path of self-renewal. Therefore, while improving their economic strength, High-tech enterprises should also actively perform their social responsibilities and provide guarantees for the quality of life of the public. The fulfillment of social responsibilities has become one of the world's concerns. If we want to actively implement the scientific development strategy, we should eliminate the enterprise's development concept of profit as the only goal, and comprehensively consider the demands of multiple parties to ensure the stable development of society.

2. The Significance of Corporate Social Responsibility

2.1. Improvement of Corporate Social Responsibility

Research on corporate social responsibility and financial performance can effectively ensure that High-tech enterprises make reasonable use of social resources to implement the concept of sustainable development. At present, China's ecological environment and people's living standards are facing major threats, and the scale of enterprise production continues to increase, resulting in a shortage of production resources. Therefore, this requires High-tech enterprises to actively incorporate environmental protection into their own development goals, and then formulate reasonable financial goals to safeguard their own economic interests, to lay the foundation for enterprises to assume corresponding social responsibilities in the production process and ensure harmony and social harmony. Unified development. High-tech enterprises raise awareness of social responsibility, sort out their own social responsibilities, improve their own development strategies in a timely manner, and improve financial performance.

2.2. The Improvement of the Company's Social Status and the Maintenance of a Good Image

At present, High-tech enterprises are in a disadvantaged position in undertaking social responsibilities, which in turn causes their social status and image to be different from the development needs of the times. The issue of corporate image appears to be particularly important. The pressure of market competition continues to increase, and there is an urgent need for High-tech enterprises to assume social responsibilities. Enthusiasm, establish a good corporate image in the market, and then promote the development of internationalization.

Then, in the development process, complete the relevant management system to ensure the synchronized development of social responsibility and financial performance, ensure the corresponding legal binding force, and ensure the execution of social responsibility.

2.3. Supervision of Corporate Social Behavior Patterns

The social and economic level is steadily improving. The suppliers and customers of High-tech enterprises are paying more and more attention to the corporate social responsibility to evaluate the credibility of the enterprise, and other stakeholders are also increasingly agreeing to assume social responsibility. Although the current social responsibility issues in China are relatively chaotic, some researchers have carried out in-depth exploration of corporate social responsibility behaviors. High-tech enterprises have gradually understood the necessity of social responsibility from the theoretical level, and further improved the social responsibility. At the theoretical level, through related management systems, benefits and social responsibilities can also be promoted together to achieve a win-win goal. This can also promote balanced social and economic development, and coordinate corporate social responsibility performance with financial performance, thereby actively improving the company's market Competitiveness ensures that High-tech enterprises can gain a foothold in the social market.

3. The Impact of Various Dimensions of Social Responsibility on Financial Performance

Different performances of social responsibility have different impacts on financial performance, which will be explained separately in this article.

3.1. Technological Innovation

High-tech enterprises are knowledge-intensive enterprises. Considering long-term development, they need continuous innovation. Technological innovation and progress can bring competitive advantages to High-tech enterprises and continuously inject new vitality into High-tech enterprises. For High-tech enterprises to develop, technological innovation is a necessary condition for their internal development, and the level of research and development is a necessary prerequisite for them to be at the forefront of the industry. Technological innovation can form a network structure through the exchange of resources between enterprises, and each subject can communicate with each other, thereby promoting innovation and creating greater value for enterprises. Therefore, the improvement of the level of innovation of High-tech enterprises can promote corporate performance.

3.2. Shareholder

As a profit-making organization, an enterprise needs a large amount of capital invested by investors for its production and operation activities to operate flexibly. Shareholders are investors in high-performance technology companies, and they must not only invest, but also bear the risk of business failure. The fulfillment of social responsibilities by steel companies to shareholders can increase the awareness of cost control, improve performance, and give investors strong confidence. The establishment of a trust mechanism between enterprises and shareholders can attract more investors to become shareholders of High-tech enterprises, increase corporate reserves, and improve financial performance. In addition, long-term and stable cooperation opportunities can be obtained, capital problems can be avoided, and opportunistic behaviors can be avoided, which is conducive to the long-term development of the company, guarantees shareholder capital to the maximum extent, and improves corporate performance. Therefore, fulfilling the social responsibility to shareholders is conducive to improving corporate performance [4].

3.3. Customer

Most High-tech enterprises produce High-tech products, which require a strong R&D team and a large amount of R&D funds. Technological innovation is fast, and customers are God. Enterprises need to pay attention to their social responsibilities to consumers of related products. From the perspective of consumers, pay attention to consumers' needs, establish good brand benefits, and actively improve their own financial performance. To a certain extent, High-tech enterprises fulfilling their corporate responsibilities to customers can not only gain the trust of customers, improve brand satisfaction and loyalty, but also obtain a certain loyal and stable source of customers and further improve corporate performance. With the rapid economic development, the supply of the consumer market exceeds the demand, and it has shifted from being led by sellers to being led by buyers. High-tech enterprises are at the top of the industrial chain. They should establish a good communication mechanism with customers, maintain friendly buyer-seller relations, broaden sales channels, create a community of interests in production and sales, and ensure a steady increase in corporate profits.

3.4. Staff

If High-tech enterprises want to develop in the long term and fulfill their social responsibilities to employees, it will help retain talents. High-tech enterprises have a large demand for specialized technical personnel. Enterprises can provide employees with a good boarding and lodging environment, equipped with excellent office equipment, and give employees generous welfare allowances to help employees balance work and life. On the other hand, it is necessary to standardize employee rules, improve employee work efficiency, strengthen the absorption and training of professional talents, and directly promote the improvement of corporate performance. In addition, the fulfillment of social responsibility to employees is mostly for the safety of High-tech workers. To build an eco-friendly, safe and high-yielding information automation factory, the industry safety of High-tech enterprises should also be considered, and insurance should be purchased for employees to protect their lives. For safety issues, regular physical examinations are conducted on employees to ensure their health. It can also equip employees with digital production equipment to encourage them to continuously improve their professionalism and work efficiency. Therefore, fulfilling the social responsibility to employees is conducive to the improvement of corporate financial performance [5].

3.5. Government

As a functional department, the government fulfills its social responsibilities to the government and helps companies better respond to national policies. The continuous growth of High-tech enterprises can solve the work needs of more employees, which not only reduces the employment pressure of government departments, but also pays taxes on time and contributes to national taxation. The government can provide enterprises with policy-based development resources and, through macro-control of the market, provide enterprises with an excellent economic development environment. Enterprises assume social responsibilities. The government can also provide enterprises with a large number of industrial subsidies, transformation incentives and technical staff subsidies, and provide enterprises with multiple support policies such as manpower and economy. The normal production and operation of High-tech enterprises have been guaranteed. At the same time, High-tech enterprises can also obtain help from local governments to improve their financial performance by fulfilling their social responsibilities to the government. Therefore, the financial performance of steel enterprises can also be improved by fulfilling social responsibilities to government departments.

3.6. Environment

A beautiful and livable natural environment is a prerequisite for human beings to live a healthy life. Unilateral development of the economy and endless damage to the environment will hinder its own development and reduce financial performance. Paying attention to and disclosing the impact of High-tech enterprises on the environment and adopting active governance measures can make the government more support for the technological innovation of High-tech enterprises, thereby promoting the improvement of economic benefits. Therefore, fulfilling social responsibility for the environment is conducive to improving the financial performance of enterprises.

4. Conclusion

As a knowledge-intensive enterprise in China, High-tech enterprises must not only focus on market demand, but also consider the social environment. In order to promote the development of High-tech enterprises, they should closely follow national policies, fulfill their social responsibilities, and improve their social reputation. High-tech enterprises must improve the level of research and development, complete personnel training mechanisms, maintain a competitive advantage with higher levels of operating efficiency, and earnestly fulfill their social responsibilities, thereby improving financial performance.

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