DRIVING PROFITABILITY THROUGH SOCIAL RESPONSIBILITY: UNVEILING THE SUCCESS STORY OF AUTOMOTIVE PLANT STELLANTIS SLOVAKIA

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Abstract: This study examines the relationship between corporate social responsibility (CSR) and corporate financial performance (CFP) in Slovakia's unique context of the Stellantis automobile plant. Driven by the growing focus on mitigating business impacts and delivering value to stakeholders, the research explores CSR as a strategic tool to enhance competitiveness. The analysis utilises Stellantis Slovakia's financial reports from 2017 to 2021, incorporating horizontal and vertical analysis of assets. A questionnaire has also been administered to gauge employee perception of the company's CSR initiatives. The survey findings reveal a positive correlation between stakeholder engagement and CSR. Stellantis Slovakia's car plant showcases a commendable CSR commitment, with the potential to set more precise, measurable objectives to drive sustainability efforts. The company's robust financial performance, characterised by significant net profit growth, is in line with industry trends, suggesting that CSR-oriented firms enjoy enhanced CFP. The survey underscores the highly positive employee perception of CSR, related to moral commitment, thereby supporting previous

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research on CSR-driven employee engagement and productivity. This study deepens our understanding of CSR's impact on financial performance, offering practical recommendations for Stellantis Slovakia. Integrating CSR can improve the company's image, enhance employee motivation, reduce costs and drive revenue growth, thereby highlighting the strategic value of socially responsible practices and encouraging optimism about the potential benefits of these practices.

Keywords: Social responsibility, Corporate financial performance, Corporate social responsibility, stakeholder engagement, Institutional pressure, CSR goals, Automobile plant, Stellantis Slovakia, Environmental impact

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1. Introduction

What role does corporate social responsibility (CSR) play in today's competitive business landscape? This study explores the impact of automobile plant Stellantis Slovakia's CSR initiatives on corporate financial performance (CFP). Automobile plant Stellantis Slovakia, a key player in the automotive industry, prioritises CSR to address its substantial environmental footprint. Stellantis Slovakia is a subsidiary of the transnational corporation Stellantis for the production of cars, occupying one of the first five places among the most prominent car companies in the world. The growing demand for transparency and accountability from stakeholders underscores the importance of ethical business practices (Patel, 2024; Wang et al., 2023; Carroll, 2016). This research investigates the correlation between Stellantis Slovakia's CSR efforts, financial outcomes, and ecological footprint. By analysing critical metrics such as profitability, return on investment and revenue growth, this study provides valuable insights into the tangible benefits of CSR, reinforcing its strategic importance in promoting sustainable growth and meeting stakeholder expectations.

The automotive industry's unique challenges and opportunities, driven by its environmental impact and stakeholder expectations, require specific research on the connection between CSR and financial performance (Chauhan et al., 2024; Fan et al., 2023). This study contributes to understanding how Stellantis Slovakia strategically incorporates CSR principles, offering valuable insights for companies seeking sustainability and financial success.

Contradictory findings from various studies underscore the need for research tailored to specific industries. Research by Dharmayanti et al. (2023), Granelli & Radestrom (2023), Velinov (2023), Kim et al. (2023), Einwiller et al. (2019), and Lin et al. (2021) illustrate these inconsistencies. The disparities in these studies highlight the necessity of establishing a clear link between CSR and financial performance. This research aims to provide industry-specific insights into the challenges and opportunities of balancing social responsibility with financial objectives, using Stellantis Slovakia as a case study.

The automotive sector's increasing awareness of CSR's significance in promoting sustainable practices and improving financial performance highlights the need for comprehensive understanding (Chauhan et al., 2024; Fan et al., 2023). This study explores the interplay of stakeholder engagement, institutional pressures, and effective communication in the relationship between CSR practices and financial performance within Stellantis Slovakia. It seeks to contribute to industry-specific knowledge and guide companies aiming to navigate the complex dynamics of CSR in the automotive industry. This study examines the mechanisms by which Stellantis Slovakia's CSR practices impact its financial performance. The main aim of this study is to examine the influence of Stellantis Slovakia's CSR practices on its financial performance. To accomplish this goal, the following specific research questions are pursued:

- RQ1: How does stakeholder engagement impact CSR practices in Stellantis Slovakia?
- RQ2: What factors motivate Stellantis Slovakia to implement CSR practices?
- RQ3: How does communication impact the relationship between CSR practices and financial performance in Stellantis Slovakia?

This study provides valuable insights into the interplay between stakeholder engagement, institutional pressures, effective communication, CSR practices, and financial outcomes in the automotive industry. It addresses critical research questions and objectives concisely and coherently. The findings will aid in developing impactful CSR strategies and offer guidance to businesses, such as Stellantis Slovakia, in achieving sustainable financial success while meeting societal and environmental responsibilities. The study's results have practical implications for Stellantis Slovakia and other companies in the automotive sector. By analyzing the relationship between CSR practices and financial performance, strategic recommendations can be formulated to help companies enhance their social responsibility initiatives while boosting financial results.

This study seeks to analyse the influence of social responsibility on the corporate financial performance (CFP) of Stellantis Slovakia, a prominent participant in the automotive sector. By analysing CSR practices, financial performance indicators, and environmental impact, this study makes a valuable contribution to the existing literature. This article offers valuable insights for businesses navigating the intricate world of CSR and attaining long-term financial success.

2. Literature review

Studies repeatedly demonstrate that CFP and CSR are positively correlated. Emphasising CSR has been linked to increased profitability, according to numerous research (Parket et al., 1975; Agyei et al., 2022; Allui et al., 2022). Pinto (2023) and Rodgers et al. (2013) highlight the significant influence of CSR's customer element on job performance in the setting of major organisations. These conclusions are corroborated by recent research by Bouichou et al. (2022), which demonstrates that social interaction favours Moroccan enterprises' financial performance. Pinto (2023) goes on to say that businesses that adopt CSR policies see benefits in performance, corporate reputation, customer happiness, consumer loyalty and staff involvement, among other areas. In their analysis of the automobile sector, Lin et al. (2020) discover that good perceptions of CSR positively affect financial performance. Corresponding to this, Oncioiu et al. (2020) emphasise the significance of sustainability reporting for Romanian businesses, connecting it to enhanced efficiency, profitability and compliance with corporate social responsibility guidelines.

There are, nonetheless, differing perspectives regarding the relationship between CFP and CSR. Researchers like Einwiller et al. (2019), Friedman (1970), Brammer et al. (2006), Coelho et al. (2023), Kim et al. (2023), and Lin et al. (2021) all point to a potential negative correlation. According to Lin et al. (2020), the car industry's social welfare suffers when people have an unfavourable opinion of CSR.

The possible detrimental impacts of CSR on performance in the automotive industry have also been studied recently. Focusing on the role of CSR following unfavourable incidents, Kim et al. (2023) discover that more than CSR initiatives might be needed to lessen unfavourable consequences. Einwiller et al. (2019) contend that performance is eventually impacted by the detrimental effects of identifying with CSR in the face of negative press. The disparate effects of corporate sustainability strategy on various automobile industry segments are highlighted by Lin et al. (2021).

Several variables, such as corporate behaviour, industry characteristics and firm size, influence the CSR-CFP link. Proactive CSR behaviour will likely benefit financial performance, and strategic CSR projects must have extended time horizons. Examining the relationship from the perspective of stakeholders shows that increased legitimacy has a beneficial effect on customer trust and employee efforts, which positively influences financial performance (Pinto, 2023).

There is a complex and multifaceted relationship between CSR and CFP. Businesses should consider these factors when implementing CSR activities to gain a long-term competitive edge, boost earnings, and enhance social well-being. In many circumstances, more investigation is required to fill the current study gaps and improve our understanding of this correlation.

2.1 Research conceptual framework

The conceptual framework of this study comprehensively examines the correlation between CSR and financial performance within Stellantis Slovakia, a significant player in the automotive industry. Integrating stakeholder, institutional and communication theories, this framework analyses how CSR practices influence financial performance and presents well-formulated hypotheses.

The stakeholder theory proposed by Freeman (1984) underscores the importance of considering various stakeholders in organisational decisions, suggesting that effective stakeholder engagement leads to sustainable business practices and improved financial performance (Hristov et al., 2022; Bansal et al., 2000; Jones, 1995).

Institutional theory, developed by DiMaggio and Powell (1983), explores the impact of external factors on organisational behaviour. In the context of CSR, it helps understand motivations for adopting CSR practices, considering industry norms and legal obligations (Font et al., 2016; Brammer et al., 2012). This study utilises institutional theory to investigate how Stellantis Slovakia navigates institutional pressures in the automotive industry.

Communication theory is crucial for promoting CSR initiatives and meaningful stakeholder engagement. Clear communication fosters trust and positive relationships, impacting stakeholders' perceptions and enhancing the visibility of CSR activities (Mataruka et al., 2024; Ajayi & Mmutle, 2021; Du et al., 2010). This study aims to analyse how Stellantis Slovakia effectively communicates its CSR initiatives to stakeholders, employing communication theory for a comprehensive analysis.

2.2 Implications for CSR Practices and Financial Outcomes

Integrating stakeholder engagement, institutional pressures, and effective communication within the conceptual framework has profound implications for CSR practices and financial outcomes. Organisations can enhance their financial performance by adopting sustainable business practices that consider stakeholders' interests and concerns. Interacting with stakeholders enables companies to grasp their expectations, acquire valuable insights, and establish mutually advantageous relationships.

In addition, addressing institutional pressures helps companies align their CSR practices with societal and environmental expectations, improving their reputation and market competitiveness. By implementing CSR practices, organisations can demonstrate their commitment to responsible business conduct and address pressing societal and environmental issues.

Incorporating these factors into the conceptual framework allows for a comprehensive inderstanding of how stakeholder engagement, institutional pressures, and practical communication influence CSR practices and their effects on financial performance. By addressing specific research objectives, this study aims to provide valuable insights for businesses in the automotive industry, such as Stellantis Slovakia. This will help them navigate the complex CSR landscape and achieve sustainable financial success.

3. Research Methodology and Methods

The research uses a concise and coherent approach, emphasising objectivity and employing objective methods to examine the correlation between CSR and financial performance. The study employs a comprehensive research methodology, using quantitative and qualitative techniques. These include a case study, content analysis, financial analysis, and a questionnaire survey. Collectively, these methods contribute to a comprehensive study of the correlation between CSR and financial performance. The research design facilitates the collection of diverse data, enabling a comprehensive understanding of the relationship between CSR and financial performance.

3.1. Case Study

The case study approach has been chosen because it can thoroughly analyse a specific case. In this instance, we will focus on the social responsibility and performance of Stellantis Slovakia. The case study involved analysing the company's annual reports, specifically focusing on the sections that discuss social responsibility. This analysis offered valuable insight into the company's commitment to addressing social responsibility issues.

3.2. Content Analysis

Annual reports are analysed to assess how companies communicate their commitment to social responsibility. The study aims to assess the adequacy of information provided by automotive companies in Slovakia regarding their social responsibility activities by analysing the content of annual reports within the industry.

3.3. Financial Analysis

An assessment was carried out to evaluate Stellantis Slovakia's financial performance. The analysis reviewed the company's annual reports from 2017 to 2021. The company's assets, liabilities, and profit and loss statements were thoroughly analysed using vertical and horizontal analyses. A set of profitability, liquidity, and activity indicators were chosen to evaluate the company's financial performance over time.

3.4. Questionnaire Survey

Data was collected from Stellantis Slovakia employees through a questionnaire survey in April 2023. The survey examined the correlation between employees' perception of social responsibility and their dedication to the organisation. It sought to determine whether engaging in social responsibility activities positively affects employees' perception of the company and its financial performance. The questionnaire included closed-ended questions and rating scales to assess various aspects of social responsibility and job satisfaction. It was developed based on annual reports on social responsibility and employee satisfaction. The survey was distributed through a Facebook group for Stellantis Slovakia employees to ensure accessibility and a higher response rate. The research methodology combined qualitative and quantitative methods to thoroughly analyse the correlation between CSR and financial performance.

4. Findings

4.1 Analysis of CSR in the Company

Stellantis, formed through the merger of PSA Group and Fiat Chrysler Automobiles, is a prominent global car manufacturer that prioritises providing innovative, interconnected, secure, and cost-effective mobility options. The company boasts a wide range of brands in its portfolio, including Abarth, Chrysler, Dodge, Fiat, Lancia, Opel, RAM, Free2move, Alfa Romeo, Citroen, DS Automobiles, Jeep, Maserati, Peugeot, Vauxhall, and Leasys.

Stellantis Slovakia, formerly known as PCA (Peugeot, Citroen Slovakia), is located in Trnava and specialises in manufacturing compact vehicles in the B-mainstream segment. The company has established itself as a leading exporter in Slovakia, constantly increasing its production numbers. In 2019, the company achieved a remarkable milestone by producing 371,152 vehicles. Nevertheless, the production trajectory was interrupted in 2020 due to the unprecedented COVID-19 pandemic, which led to production shutdowns and shortages of essential parts.

Stellantis Slovakia's business principles focus on ensuring the safety and well-being of its employees, implementing sustainable business practices, fostering positive relationships with external stakeholders, and efficiently managing assets and information. The company is dedicated to offering equal employment opportunities, maintaining a safe and inclusive workplace, and prioritising the well-being of its employees. The organisation also aims to minimise its impact on communities and resources, adheres to laws and regulations, and actively opposes corruption.

Our company aims to establish itself as a prominent automotive manufacturer and provider of mobile solutions, enhancing mobility options for customers across the globe. Slovakia strongly emphasises the adoption of a SMART approach, which involves prioritising intelligent products, processes, and people within a management project that typically spans 3-6 years. Stellantis prioritises customer satisfaction and values collaboration, agility, and innovation. They are committed to positively impacting society, people, communities, and the planet, ensuring a better future for all.

4.2 Content analysis of the company's annual report

The company's annual report provides a concise and coherent analysis of its social responsibility initiatives, highlighting the main elements of the study's purpose. Content Analysis of the Company's Annual Reports: A Comprehensive Overview of Social Responsibility Efforts

Economic Area

The company's annual reports highlight its economic performance, particularly regarding vehicle production and the impact of the COVID-19 pandemic. While overall vehicle production decreased in 2021 due to the pandemic and semiconductor supply crisis, there was a significant increase of 28% in the production of the fully electric version of the Peugeot 208, which has zero CO2 emissions. This indicates the company's commitment to sustainable transportation.

Table 1 illustrates the trend in vehicle production over the years, highlighting the decrease in 2021 and the significant increase in the production of the fully electric version of the Peugeot 208.

Table 1. Comparison of Vehicle Production (2019-2021)
Number of manufactured vehicles by year

2011	178, 000
2012	214, 617
2013	248, 411
2014	255, 176
2015	303, 018
2016	315, 050
2017	335, 296
2018	352, 082
2019	371, 152
2020	338, 050
2021	316, 440

Social Area

The company acknowledges the significance of its employees and makes substantial investments in their welfare and growth. The annual reports demonstrate a clear emphasis on employee education and training. In 2021, there was a significant rise in the amount of time devoted to education compared to the previous year. The company provides a range of training programmes, such as language courses and technical training in automation and robotics. The pandemic has forced the adoption of online and e-learning formats, resulting in a surge in programme participation.

Public Engagement and Environmental Responsibility

The company actively engages with the public and is committed to social responsibility beyond its immediate workforce. It organises public events and activities such as City Run Trnava and PSA TT-inline summer rides, promoting an active lifestyle and community participation. These events promote a positive relationship between the company and the local community.

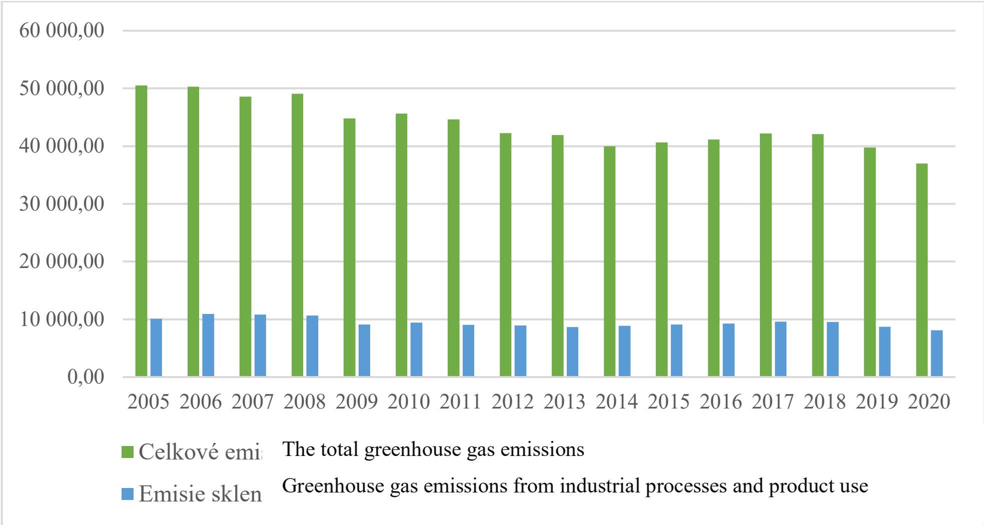
In addition, the company supports charitable activities and organisations. It holds collections during Christmas to help families in need and maintains an endowment fund to support public benefit activities. The company's involvement in the Pontis Foundation's endowment fund exemplifies its commitment to supporting initiatives related to community development, health, education and the environment - Table 2 below illustrates the areas of commitment.

Table 2.
Evaluation of the comparison of the annual reports for 2021 of Slovak car companies according to selected areas

	Number of pages of the statement	Number of pages devoted to CSR	Environment	Waste	Consumption	Social Area	R and D	Philan-thropy
Volkswagen	36	7	yes	yes	yes	yes	yes	yes
Kia Motors	21	6	yes	no	no	yes	no	yes
Jaguár Land Rover	7	0	no	no	no	no	no	no
Stellantis	27	10	yes	yes	no	yes	yes	yes

Four car companies operate in Slovakia: Stellantis - Trnava, Volkswagen - Bratislava, Kia Motors Teplicka nad Vahom and Jaguar Land Rover - Nitra. In Table 2 above, we see a comparison of the annual reports on social responsibility coverage.

In terms of environmental responsibility, the company takes measures to minimise its impact on the environment. It uses approximately 30% of environmentally friendly materials in vehicle manufacturing, including polymers and recycled metals. The annual reports also highlight the company's efforts to reduce greenhouse gas emissions and carbon monoxide (CO2) emissions from industrial processes. Wastewater treatment and proper waste management practices are implemented to ensure responsible environmental management.



Source: own processing

Figure 1. Development of greenhouse gas emissions from industrial processes compared to total greenhouse gas emissions in Slovakia

Investments in environmental protection in Slovakia are decreasing year by year, as shown in Graph 1. However, companies are still trying to reduce their negative impact on the environment. In 2020, investments reached € 224,540, which represents a decrease of 13.9% compared to 2005. Between 2019 and 2020, investments in the environment decreased by 20.7%. Despite this decline, investments accounted for 27.1% of environmental costs in 2020. The total cost of environmental protection has increased in recent years, representing 27.7% of the company's total cost in 2020.

Stellantis, the car manufacturer, is committed to achieving environmental leadership. Stellantis uses approximately 30% of its ecological materials, such as polymers based on ecological materials or recycled metals, to produce its vehicles while meeting safety and quality requirements. It also strives to reduce the use of plastics derived from fossil fuels and diversify the methods of incorporating recycled plastics, including natural fibres, bio-based materials and recycled plastics into polymers.

Waste management is another crucial aspect of environmental protection. Stellantis successfully reduced the amount of mixed waste in 2021 through employee awareness training and operational audits. They also increased the use of returnable packaging, reducing overall waste compared to the previous year. However, there is still room for improvement in waste management for the Trnava plant and the entire Stellantis group, and they continue to work for constant improvement in this area.

Figure 2 highlights vital environmental metrics such as greenhouse gas and CO emissions over a specific period, demonstrating the company's commitment to reducing its environmental footprint.

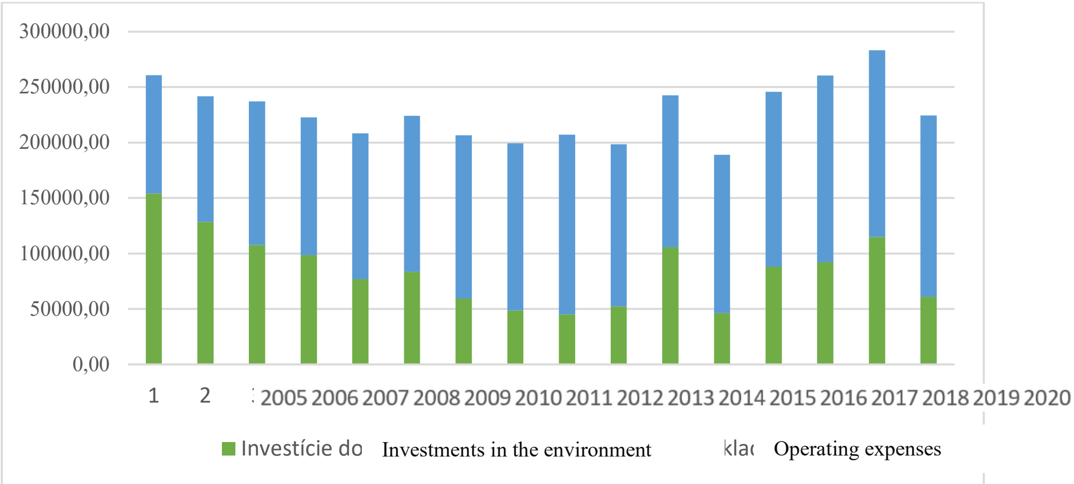


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Figure 2. Development of environmental protection costs in industrial production

4.3. Financial Analysis of Stellantis Slovakia:

The financial analysis of Stellantis Slovakia provides valuable insight into the company's performance. Horizontal and vertical asset analyses provide an understanding of the company's financial situation.

Horizontal analysis of assets 2017-2019 in percentages

The company's total assets show a steady growth from 2016 to 2019. However, in 2020, we see a decline in total assets, which can be attributed to two main factors. First, the company faced challenges due to reduced production volume caused by parts shortages. Second, the COVID-19 pandemic forced production shutdowns, further impacting the company's asset value. It is noteworthy that while the decline continued in 2020, the rate of decline slowed down last year, indicating the company's efforts to adapt to emerging situations and stabilise its financial position.

The analysis reveals fluctuations in the value of non-current assets throughout the period. It should be noted that there is a significant increase from 2018 to 2017, with a growth rate of 10.94%. This growth is mainly due to investment in long-term tangible assets, specifically machinery and equipment, to start the production of the new generation of Peugeot 208. However, from 2020 to 2019, non-current assets experienced a decline of 11.85%. This decline can be attributed to reduced production volume leading to a decrease in long-term tangible assets. From 2021 to 2020, the company witnessed a significant increase of 1174.54% in long-term financial assets represented by deferred tax receivables. This increase is the result of state investment aid in the form of tax relief that the company received in 2019 to start production of the new Peugeot 208.

Current asset analysis highlights the company's performance in terms of receivables, inventories and cash equivalents. Current assets reached their highest value in 2019, amounting to € 592,560, representing an increase of 55.78% compared to the previous year. Receivables constitute the main component of current assets, followed by inventories. It is important to note that the company maintains minimum inventory levels due to the adoption of the just-in-time inventory management method, which focuses on reducing inventory carrying costs. However, there was a slight decrease of 3.59% in current assets from 2021 to 2020, which was mainly due to a significant drop of 98.11% in cash and cash equivalents.

Vertical analysis of assets 2017-2019 in percentages

The company's asset structure consists mainly of non-current assets, representing 45.68% to 53.32% of total assets. Most non-current assets are long-term tangible assets, with machinery and equipment being the most important. It is worth mentioning that there should have been more recorded intangible assets from 2017 to 2018. The company's software only reported a few intangible assets in the subsequent years. In 2021, deferred tax assets emerged as long-term financial assets, representing 1.14% of the total assets.

During the analysed period, the company's asset structure shows a higher share of current assets, ranging from 46.36% to 54.25%. Receivables constitute a substantial portion of current assets and play a significant role. In 2019, there was a slight increase of inventories, accounting for 5.69% of the total assets. This can be attributed to the just-in-time inventory management approach. The company's asset portfolio contains a small percentage of cash and cash equivalents, ranging from 0% to 2.11%.

Examining asset composition as a percentage of total assets can offer valuable insights through vertical analysis. The company's asset structure consists mainly of non-current assets, representing 45.68% to 53.32% of the total assets. Most of these assets are long-term, with machinery and equipment being the most significant. However, registered intangible assets decreased from 2017 to 2018, especially in the software category. In 2021, long-term financial assets in deferred tax assets accounted for 1.14% of the total assets.

The company also has a significant proportion of current assets, ranging from 46.36% to 54.25% of the total assets. Receivables play a substantial role in the current asset category. Inventories increased slightly in 2019, reaching 5.69% of the total assets, which can be attributed to the company's just-in-time inventory management approach. Cash and cash equivalents make up a small percentage, ranging from 0% to 2.11%.

The employee survey questionnaire collected data from 106 Stellantis Slovakia employees in April 2023. Most participants were female (52.8%), with an average age of 34.31. Most participants had completed high school (48.1%) or received a university degree (27.4%). The survey also collected information on employees' professional experience, with a significant number having worked for the company for 5-10 years (32.1%) or 3-5 years (30.2%).

According to the survey results, employees expressed moderate satisfaction with the employer, with an average rating of 3.65 on a 5-point scale. However, their sense of responsibility beyond contractual obligations was relatively limited, with an average rating of 2.85. The survey also revealed that it was relatively easy for employees to secure a new job, indicating that personal beliefs may influence their decision to stay with the company.

The survey examined employees' participation in voluntary initiatives related to social responsibility. A significant portion of participants did not participate (38.7%), but most expressed interest in future participation (28.3%). Most employees found these projects valuable, with over 70% rating them positively.

Although the questionnaire analysis does not directly address the impact of stakeholder engagement on CSR practices, it provides insight into employee satisfaction, sense of obligation and participation in voluntary projects, which are indicators of stakeholder engagement. Further research is needed to assess the impact of stakeholder engagement on CSR practices.

Similarly, the questionnaire analysis does not explicitly explore the institutional pressures driving the adoption of CSR. However, employees' positive perception of CSR initiatives suggests that the company's practices are in line with societal and environmental expectations influenced by institutional pressures. Further research is needed to analyse the exact institutional pressures influencing a company's CSR practices.

The questionnaire analysis does not directly examine the correlation between effective communication, CSR practices and financial performance. However, the favourable perception of CSR practices among employees implies that effective communication strategies could improve stakeholders' understanding and promote positive perception. Further research is needed to comprehensively understand the relationship between effective communication, stakeholder perceptions and financial performance.

The questionnaire analysis does not directly explore the correlation between CSR practices and financial performance. However, the favourable view of CSR initiatives among employees suggests that these practices may indirectly impact the company's financial performance. Additional research is needed to establish a clear link between CSR practices and financial performance, including a thorough examination of financial data and performance indicators.

In summary, while the questionnaire analysis provides valuable insights into employees' perceptions and attitudes towards CSR practices, additional research, data collection, and analysis are necessary to fully answer the research questions and hypotheses outlined in the paper.

5. Discussion and conclusions

The automotive industry has long been scrutinised for its significant environmental footprint and has also been striving towards sustainable development. This study, focusing on Stellantis Slovakia, serves as an intriguing case study in examining the relationship between Corporate Social Responsibility (CSR) practices and financial performance within the industry.

Research Question 1 delves into the impact of stakeholder engagement on CSR practices, establishing a positive correlation, particularly evident through indicators such as employee satisfaction and the perception of CSR initiatives. However, it is imperative to conduct further research to fully understand the depth of the influence. Comparatively, various studies have confirmed the idea of a positive relationship between stakeholder engagement and CSR practices. For instance, Bansal and Roth (2000) have found that companies with higher stakeholder engagement exhibit stronger CSR initiatives, suggesting a positive correlation between the two variables.

Moving on to Research Question 2, examining the institutional pressures driving CSR practices sheds light on Stellantis Slovakia's commendable commitment to CSR. Nonetheless, there is room for improvement, especially in setting clear and measurable goals. This resonates with the findings of Lai et al. (2010), who emphasize the importance of establishing specific CSR goals to effectively drive organisational sustainability efforts.

The financial analysis reveals promising performance metrics for Stellantis Slovakia, albeit with fluctuations in profitability. Notably, the significant growth in net profit indicates a positive trajectory. This is consistent with broader industry trends, indicating that companies investing in CSR often experience improved financial performance over time. A meta-analysis by Margolis et al. (2003) demonstrated that firms integrating CSR into their business models enjoy better financial outcomes than those that do not prioritize CSR.

The questionnaire survey highlights the positive perception of CSR among Stellantis Slovakia employees, emphasizing its relationship with their moral commitment. This correlation between CSR, employee loyalty, and job performance reflects the findings of various studies, such as Maignan et al. (2001), who note that employees in CSR-oriented organisations exhibit higher levels of commitment and productivity.

In summary, stakeholder engagement, institutional pressure and CSR adoption play a key role in promoting sustainability and financial performance within the automotive industry. However, further research is needed to clarify the nuanced dynamics of these relationships and uncover additional factors influencing CSR practices and their impact on organisational success.

Based on our study, Stellantis Slovakia demonstrates a solid commitment to social responsibility in its annual reports, although there is room for improvement in reporting practices. Despite challenges, the company maintains a favourable financial position, with profitability and positive growth in economic results. Employee perceptions of CSR practices are highly positive, contributing to higher job satisfaction and commitment. Our findings suggest that emphasising CSR positively affects employee satisfaction, moral commitment, and work effort, ultimately benefiting the company's financial performance. These insights should be considered within the context of the evolving landscape of CSR and the automotive industry, and further research is needed for a comprehensive understanding of the subject.

The study has limitations that warrant further research. It mainly focuses on data from Stellantis Slovakia, potentially limiting the understanding of CSR practices and their impact on financial performance in the wider automotive industry. Additionally, relying on self-reported employee data may introduce biases. The study also lacks a definitive causal link between CSR and financial performance and does not consider contextual factors or industry-specific dynamics. Future research should address these limitations by including a larger sample size from the automotive industry, using objective measures of CSR practices and financial performance, and conducting longitudinal studies to investigate causality. Examining the influence of contextual factors, industry dynamics, and regulatory frameworks on the CSR-financial performance relationship would provide a more nuanced understanding. By addressing these limitations and conducting further research, we can improve our knowledge and offer more robust recommendations for organisations such as Stellantis Slovakia and the automotive industry.

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