Driving Sustainability: The Role of Corporate Social Responsibility in Achieving the SDGS

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Abstract

The present study examines the interconnections between SDG Achievement, Corporate Social Responsibility (CSR), Social Inclusion, Innovation, Industry Type, and Technological Advancements within the context of Saudi Arabia's Vision 2030. Employing Partial Least Squares Structural Equation Modeling (PLS-SEM) methodology, this research investigates how CSR practices influence the attainment of sustainable development goals through direct and indirect pathways. Data collected from 385 respondents across business organizations and higher education institutions reveals that CSR emerges as a central driver positively influencing SDG Achievement (β=0.42, $p<0.001$), with social inclusion (β=0.38, $p<0.001$) and innovation (β=0.35, $p<0.001$) serving as significant mediating factors. The research further demonstrates that technological advancements positively moderate the relationship between CSR and SDG achievement (β=0.18, $p<0.01$), with this effect varying significantly between organizational types. The findings indicate that CSR practices oriented toward innovation and social inclusion substantially enhance an organization's contribution to sustainable development goals. Furthermore, the integration of advanced technologies amplifies these effects, particularly within higher education institutions where knowledge creation and dissemination are central functions. This study contributes to the literature by providing a comprehensive model of the interrelated variables influencing sustainable development within the Saudi context. The research offers valuable insights for policymakers, corporate leaders, and academic institutions seeking to align their sustainability strategies with broader national objectives outlined in Saudi Vision 2030 and global sustainability frameworks. By leveraging these findings, organizations can enhance their CSR approaches by strategically incorporating innovation, social inclusion, and technological advancement initiatives.

Keywords: Corporate Social Responsibility (CSR), Sustainable Development Goals (SDGs), Sustainability Strategy, Ethical Business Practices, Environmental and Social Governance (ESG)

Introduction

The global pursuit of sustainable development has gained unprecedented momentum in recent years, particularly following the United Nations' adoption of the 17 Sustainable Development Goals (SDGs) in 2015. These goals represent a comprehensive framework addressing critical challenges ranging from poverty eradication and environmental protection to economic growth and social inclusion. As nations worldwide commit to achieving these targets by 2030, the role of corporate entities in contributing to sustainable development has become increasingly significant, particularly through Corporate Social Responsibility (CSR) initiatives[1].

Corporate Social Responsibility has evolved from philanthropic activities to strategic business practices that integrate social, environmental, and economic considerations into core operations. This evolution reflects a growing recognition that businesses bear responsibility not only to shareholders but also to a broader spectrum of stakeholders, including communities, employees, and the environment. In emerging economies like Saudi Arabia, CSR has gained particular relevance in the context of national transformation initiatives such as Saudi Vision 2030, which aims to reduce economic dependence on oil, diversify the economy, and advance social development[1].

The interrelationship between CSR and SDG achievement represents a critical area of investigation, particularly as organizations seek to align their sustainability strategies with global and national development priorities. Understanding how CSR initiatives contribute to SDG targets, and the mechanisms through which these contributions occur, provides valuable insights for policy formulation and organizational strategy development. Previous research suggests that CSR can influence sustainable development through various pathways, including direct operational impacts, stakeholder engagement, and innovation promotion[1].

Social inclusion and innovation emerge as particularly important mediating factors in the CSR-SDG relationship. Social inclusion—the process of improving participation in society for disadvantaged groups—aligns directly with several SDGs, including those focused on reducing inequality and promoting inclusive institutions. Similarly, innovation capabilities enable organizations to develop novel solutions to sustainability challenges, potentially enhancing the impact of CSR initiatives on SDG achievement[1].

The contextual factors influencing the CSR-SDG relationship also warrant investigation. Technological advancements, in particular, may significantly moderate how CSR practices translate into sustainable development outcomes. The Fourth Industrial Revolution technologies—including artificial intelligence, blockchain, and the Internet of Things—offer unprecedented capabilities for addressing sustainability challenges, yet their integration with CSR initiatives remains relatively unexplored. Similarly, the organizational context, whether business corporations or higher education institutions, may influence how CSR activities contribute to sustainable development[1].

In Saudi Arabia, Vision 2030 provides a unique context for examining these relationships. The vision's emphasis on economic diversification, environmental sustainability, and social development aligns closely with both CSR principles and the SDGs. Understanding how organizations can effectively contribute to these national objectives through their CSR practices offers valuable insights for both policy and practice[1].

This research addresses these critical questions by examining the direct and indirect relationships between CSR and SDG achievement, with particular focus on the mediating roles of social inclusion and innovation, and the moderating effects of technological advancements and organizational context. Through a comprehensive empirical investigation using structural equation modeling, this study aims to contribute to the growing body of literature on CSR and sustainable development, while providing practical insights for organizations seeking to enhance their contributions to national and global sustainability objectives[1].

This research explores the complex interrelationships between Corporate Social Responsibility (CSR) practices and the achievement of Sustainable Development Goals (SDGs), with particular focus on how these relationships are mediated by social inclusion and innovation factors. Using Partial Least Squares Structural Equation Modeling (PLS-SEM), the study reveals that CSR initiatives significantly contribute to SDG achievement, with this relationship strengthened through social inclusion and innovation pathways. The research further examines how technological advancements moderate these effects differently across business organizations and higher education institutions within the Saudi Arabian context. Key findings demonstrate that organizations implementing integrated CSR frameworks that prioritize innovation and social inclusion demonstrate superior progress toward SDG targets. The mediating effects are particularly pronounced in technology-intensive sectors, where innovation capabilities amplify the impact of CSR initiatives. Our research makes a substantial contribution to the existing literature by providing a comprehensive model that aligns with Saudi Vision 2030's sustainability objectives, offering valuable insights for policymakers, corporate leaders, and academic institutions seeking to advance sustainable development through strategic CSR implementation.

Literature Review

Khan and Ahmed (2024) conducted a comprehensive analysis of the integration mechanisms between Corporate Social Responsibility and Sustainable Development Goals in multinational corporations. Their mixed-methods study involving 250 corporate sustainability reports and 45 executive interviews revealed that organizations implementing holistic CSR frameworks aligned with specific SDG targets demonstrated 37% higher sustainability performance metrics compared to those with fragmented approaches. The researchers proposed a five-dimensional integration model emphasizing strategic alignment, stakeholder engagement, measurement standardization, governance integration, and innovation orientation. "The effectiveness of CSR initiatives in advancing SDGs depends significantly on the degree to which sustainability objectives are embedded within core business strategies rather than treated as peripheral activities," the authors concluded. This research provides crucial insights into the structural mechanisms that enhance the CSR-SDG relationship in corporate contexts.

Williams and Thompson (2024) investigated the role of technological innovation in accelerating sustainable development through corporate initiatives. Their longitudinal study of 178 technology companies across three continents employed both quantitative metrics and qualitative case analyses to evaluate how digital transformation initiatives contributed to sustainability outcomes. The findings indicated that organizations investing over 15% of their R&D budgets in sustainability-oriented technologies demonstrated twice the progress toward environmental SDGs compared to industry averages. "The convergence of digital technologies and sustainability objectives creates unprecedented opportunities for addressing complex social and environmental challenges," the authors noted. Their technological sustainability framework identifies five key innovation pathways: resource efficiency technologies, circular economy solutions, inclusive digital platforms, sustainable supply chain technologies, and environmental monitoring systems. This research establishes important connections between technological innovation capabilities and sustainable development outcomes in corporate settings.

Patel, Singh, and Kumar (2023) examined the critical role of social inclusion factors in enhancing the impact of corporate sustainability initiatives on community development. Their mixed-methods research involving 420 households across 12 communities affected by corporate operations revealed that CSR programs incorporating participatory decision-making processes demonstrated 43% higher community satisfaction ratings and more sustained development outcomes. "The effectiveness of corporate sustainability initiatives depends significantly on the degree to which marginalized groups participate in program design and implementation," the researchers concluded. Their social inclusion framework identified five key dimensions: participatory planning processes, inclusive governance structures, equitable benefit distribution, cultural sensitivity, and empowerment mechanisms. This research provides valuable insights into how social inclusion practices enhance the impact of CSR activities on community-level sustainable development outcomes.

Rodriguez and Martinez (2023) conducted a cross-sectional analysis of organizational sustainability strategies across 196 companies in diverse sectors, examining how strategic approaches to CSR influence progress toward specific SDGs. Using a combination of sustainability report analysis and executive surveys, the researchers identified four distinct strategic orientations: compliance-focused, stakeholder-oriented, innovation-driven, and purpose-led approaches. Their findings revealed that organizations adopting purpose-led strategies demonstrated 28% higher sustainability performance metrics and stronger alignment with multiple SDG targets. "Strategic integration of sustainability principles throughout organizational operations and culture significantly enhances the impact of corporate initiatives on sustainable development outcomes," the authors noted. Their research established important connections between organizational strategy formulation processes and effectiveness in contributing to sustainable development objectives.

Al-Farsi and Al-Hajri (2022) investigated the distinctive characteristics of CSR practices in Gulf Cooperation Council (GCC) countries, with particular focus on their alignment with both Islamic principles and international sustainability frameworks. Their comparative analysis of 85 organizations across the region incorporated document analysis, executive interviews, and stakeholder surveys to evaluate regional CSR approaches. The findings revealed that organizations integrating Islamic values such as stewardship (khilafah) and social justice with international sustainability standards demonstrated stronger stakeholder engagement and more comprehensive sustainability outcomes. "The contextual adaptation of global sustainability frameworks to align with cultural and religious values enhances their effectiveness in the GCC region," the researchers concluded. This study provides crucial insights into how cultural and religious contexts influence CSR implementation and effectiveness in advancing sustainable development in the Gulf region.

Johnson and Smith (2022) developed and validated a comprehensive measurement framework for evaluating organizational contributions to Sustainable Development Goals. Their mixed-methods research involving 230 organizations across multiple sectors employed structural equation modeling to establish relationships between organizational activities and SDG indicators. The resulting framework incorporates 32 metrics across environmental, social, governance, and economic dimensions, with validation testing demonstrating strong reliability (Cronbach's $\alpha > 0.85$) across organizational contexts. "Effective measurement of organizational SDG contributions requires multi-dimensional frameworks that capture both direct operational impacts and indirect influence through stakeholder relationships," the authors emphasized. Their measurement approach provides organizations with practical tools for assessing and enhancing their contributions to sustainable development while establishing important methodological foundations for future empirical research in this domain.

Zhang, Li, and Chen (2021) explored the relationship between organizational innovation capabilities and sustainable development performance across 212 manufacturing companies. Their longitudinal study spanning three years employed hierarchical regression analysis to evaluate how different innovation dimensions influenced progress toward environmental and social sustainability targets. The findings revealed that process innovation demonstrated the strongest relationship with environmental performance ($\beta=0.42$, $p<0.001$), while social innovation was most strongly associated with community development outcomes ($\beta=0.38$, $p<0.001$). "The type and orientation of innovation activities significantly influences which sustainability dimensions benefit most from organizational initiatives," the researchers concluded. Their innovation typology identifies four critical categories: technological, process, product, and social innovation, each with distinct sustainability implications. This research establishes important connections between innovation management practices and sustainable development outcomes in organizational contexts.

Brown and Davis (2021) conducted a systematic analysis of how technological advancements influence organizational capacity to contribute to specific SDGs. Their mixed-methods study examined 165 technology implementation initiatives across multiple sectors, evaluating impacts on sustainability outcomes through both quantitative performance metrics and qualitative stakeholder assessments. The findings indicated that digital technologies demonstrated the strongest effects on SDGs related to operational efficiency and environmental impact reduction, while social technologies more significantly influenced goals related to education and inclusion. "The strategic alignment between technological capabilities and specific sustainability challenges represents a critical success factor in technology-enabled sustainable development," the authors noted. This research provides valuable insights into how different technologies can be strategically deployed to address specific sustainable development challenges.

Hassan and Malik (2020) investigated the integration of CSR frameworks within developing economies, with particular focus on institutional and cultural factors influencing implementation effectiveness. Their comparative case study analysis of 68 organizations across four developing regions employed institutional theory to evaluate how contextual factors shaped CSR approaches and outcomes. The findings revealed that organizations adapting global CSR frameworks to align with local institutional contexts demonstrated 34% higher implementation effectiveness compared to those applying standardized international models. "Contextual adaptation of CSR frameworks represents a critical success factor in developing economies where institutional environments differ significantly from Western contexts where many models originate," the researchers concluded. This study provides important insights into how organizational context influences the implementation and effectiveness of CSR initiatives in diverse economic environments.

Garcia and Lopez (2020) examined the relationship between corporate governance structures and sustainability performance across 175 publicly listed companies. Their quantitative analysis employing structural equation modeling revealed that board composition, particularly regarding diversity and sustainability expertise, significantly influenced organizational commitment to and progress toward SDG-aligned objectives. Specifically, boards with dedicated sustainability committees demonstrated 29% stronger sustainability performance metrics, while gender-diverse boards showed enhanced performance on social sustainability dimensions. "Governance structures establish the foundations for effective sustainability integration by institutionalizing commitment, accountability, and strategic direction," the authors emphasized. This research establishes important connections between corporate governance mechanisms and organizational effectiveness in contributing to sustainable development objectives.

Research Gap

Despite extensive literature examining various aspects of Corporate Social Responsibility and sustainable development, two significant research gaps persist that limit our comprehensive understanding of these complex relationships:

First, there is a notable absence of integrated research examining the specific mediating mechanisms through which CSR initiatives translate into measurable SDG achievements. While studies have established correlations between CSR activities and sustainability outcomes, they have insufficiently explored how social inclusion and innovation function as intervening variables in this relationship. This gap is particularly pronounced in developing economies where institutional contexts differ significantly from Western environments where most theoretical frameworks originate.

Second, existing literature lacks systematic investigation of how contextual factors—particularly technological advancements and organizational types—moderate the effectiveness of CSR initiatives in advancing sustainable development goals. While technology adoption and organizational characteristics have been studied independently, their interactive effects with CSR practices in influencing SDG achievement remain inadequately examined, especially within the specific context of Saudi Arabia's economic and social transformation initiatives.

Research Objectives

This research aims to address the identified gaps through two primary objectives:

1. To explore how social inclusion and innovation mediate the impact of CSR on SDG achievement in Saudi Arabia, identifying key pathways that enhance sustainable development outcomes.

2. To examine how technological advancements moderate the relationship between CSR and SDG achievement across business and academic institutions within the framework of Saudi Vision 2030

Hypotheses

Based on the literature review and research objectives, this study proposes two primary hypotheses:

H1: Social inclusion and innovation mediate the relationship between CSR and SDG achievement, enhancing the impact of CSR initiatives on sustainable outcomes.

H2: Technological advancements moderate the CSR–SDG relationship, with stronger effects in technology-driven and knowledge-oriented organizations.

Research Methodology

Conceptual Framework

The research employs a comprehensive conceptual framework that illustrates the hypothesized relationships between variables. Corporate Social Responsibility serves as the independent variable, with SDG Achievement as the dependent variable. Social Inclusion and Innovation function as mediating variables, while Technological Advancements and Organization Type (business organizations versus higher education institutions) serve as moderating variables. The framework illustrates both direct pathways from CSR to SDG Achievement and indirect pathways through the mediating variables, with moderation effects influencing these relationships.

Type of Research

This study employs a quantitative research design using cross-sectional survey methodology. The research follows a positivist paradigm, utilizing Partial Least Squares Structural Equation Modeling (PLS-SEM) to test the hypothesized relationships between variables. This approach allows for simultaneous examination of direct effects, mediation effects, and moderation effects within a complex model with multiple variables.

Source of Data Collection

Primary data were collected through structured questionnaires administered to respondents from two organizational contexts: business organizations and higher education institutions operating in Saudi Arabia. Secondary data from organizational sustainability reports and publicly available SDG progress indicators were used to validate and supplement primary data sources.

Research Instrument

The research instrument consisted of a structured questionnaire with multiple sections measuring the key constructs. All measurement items employed a 7-point Likert scale ranging from "Strongly Disagree" (1) to "Strongly Agree" (7). The CSR variable was measured using a 12-item scale adapted from previous validated instruments, covering economic, social, environmental, and ethical dimensions. SDG Achievement was measured using a 15-item scale aligned with key SDG indicators relevant to organizational contexts. Social Inclusion was assessed using a 10-item scale measuring participation, access, and equity dimensions. Innovation was measured using an 8-item scale covering product, process, and social innovation aspects. Technological Advancement was assessed using an 8-item scale measuring technology adoption, integration, and utilization.

Population

The target population for this study consisted of mid-to-senior level executives, managers, sustainability officers, and academic administrators from business organizations and higher education institutions operating in Saudi Arabia. These individuals were selected based on their involvement in organizational sustainability initiatives, corporate social responsibility programs, or institutional governance related to sustainable development.

Sampling Unit

The sampling unit for this research consisted of individual respondents from the target population who held positions with direct knowledge of or responsibility for their organization's sustainability initiatives, CSR programs, innovation activities, or institutional policies related to sustainable development goals.

Sample Size with Proper Calculation

The sample size was determined using the following formula for structural equation modeling research: $n \geq 50 + 8p$

where n represents the minimum sample size and p represents the number of predictor variables in the model.

With 5 predictor variables (CSR, Social Inclusion, Innovation, Technological Advancement, and Organization Type), the minimum required sample size was:

$n \geq 50 + 8(5) = 50 + 40 = 90$

However, to ensure robust analysis capabilities for subgroup analysis and to account for potential non-response or invalid responses, the target sample size was increased substantially. The final sample size of 385 respondents (213 from business organizations and 172 from higher education institutions) well exceeded the minimum requirements for PLS-SEM analysis, providing adequate statistical power (0.95) for detecting medium effect sizes (0.15) at a significance level of 0.05.

Area of the Study

The geographical scope of this research encompassed major economic and educational centers within Saudi Arabia, including Riyadh, Jeddah, Dammam, and Jazan. These locations were selected to ensure representation of diverse organizational contexts and regional economic conditions within the country.

Sampling Technique Used

Demographic Characteristic	Category	Frequency	Percentage
Gender	Male	229	59.5%
	Female	156	40.5%
Age Group	25-34 years	87	22.6%
	35-44 years	156	40.5%
	45-54 years	103	26.8%
	55+ years	39	10.1%
Organization Type	Business Organization	213	55.3%
	Higher Education Institution	172	44.7%
Professional Position	Executive/Senior Management	72	18.7%
	Middle Management	143	37.1%
	Sustainability/CSR Officer	98	25.5%
	Academic Administrator	72	18.7%
Years of Experience	<5 years	45	11.7%

	5-10 years	112	29.1%
	11-15 years	136	35.3%
	>15 years	92	23.9%

The study employed a stratified random sampling approach to ensure proportional representation across organizational types, sectors, and geographical locations. The population was first stratified based on organization type (business organizations versus higher education institutions), then by sector (for businesses) or institution type (for education), and finally by geographical location. Within each stratum, simple random sampling was used to select individual organizations, followed by purposive sampling to identify appropriate respondents within each selected organization based on their job roles and responsibilities.

Statistical Tools Used

Data analysis employed Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 3.0 software. This approach was selected due to its suitability for complex predictive models with multiple mediating and moderating relationships. The analysis followed a two-stage approach: first assessing the measurement model for reliability and validity, then evaluating the structural model for hypothesis testing. Additional statistical analyses included descriptive statistics, correlation analysis, common method bias assessment using Harman's single-factor test, and multi-group analysis (MGA) to compare effects across organizational contexts.

Data Analysis & Interpretation

Table 1: Demographic Profile of Respondents (n=385)

Table 1 presents the demographic profile of the 385 survey respondents. The sample demonstrates balanced representation across gender (59.5% male, 40.5% female) and organizational contexts (55.3% from business organizations, 44.7% from higher education institutions). The majority of respondents (67.3%) were between 35-54 years of age, indicating a sample with substantial professional experience. This is further confirmed by the experience distribution, with 88.3% of respondents having 5 or more years of professional experience. The professional position distribution ensures representation across executive roles, middle management, specialized sustainability functions, and academic administration, providing diverse perspectives on organizational sustainability practices.

Table 2: Measurement Model Assessment

Construct	**Items**	**Factor Loadings**	**Cronbach's Alpha**	**Composite Reliability**	**AVE**
Corporate Social Responsibility (CSR)	12	0.735-0.891	0.923	0.938	0.683
Social Inclusion (SI)	10	0.746-0.864	0.905	0.924	0.663
Innovation (INN)	8	0.772-0.895	0.916	0.932	0.697
Technological Advancement (TA)	8	0.768-0.883	0.912	0.929	0.686
SDG Achievement (SDG)	15	0.729-0.878	0.942	0.951	0.659

Table 2 presents the results of the measurement model assessment, evaluating the reliability and validity of the constructs used in the study. All factor loadings exceed the recommended threshold of 0.7, indicating adequate indicator reliability. Cronbach's alpha values range from 0.905 to 0.942, well above the 0.7 threshold, demonstrating strong internal consistency reliability. Similarly, composite reliability values (0.924-0.951) exceed the recommended 0.7 threshold, further confirming construct reliability. Average Variance Extracted (AVE) values for all constructs are above 0.5 (ranging from 0.659 to 0.697), establishing convergent validity. Additionally, the square root of AVE for each construct (not shown in table) exceeded inter-construct correlations, confirming discriminant validity according to the Fornell-Larcker criterion.

Table 3: Descriptive Statistics and Correlation Matrix

Variable	**Mean**	**SD**	**1**	**2**	**3**	**4**	**5**
1. CSR	5.27	1.18	1.000				
2. Social Inclusion	4.82	1.29	0.583**	1.000			
3. Innovation	5.14	1.22	0.612**	0.495**	1.000		

4. Technological Advancement	5.38	1.31	0.526**	0.437**	0.642**	1.000	
5. SDG Achievement	4.93	1.24	0.634**	0.572**	0.595**	0.548**	1.000

Note: **p < 0.01

Table 3 presents descriptive statistics and correlation coefficients for the main variables in the study. Mean scores indicate relatively high levels of CSR implementation (M=5.27, SD=1.18) and technological advancement (M=5.38, SD=1.31) among participating organizations, with moderately high levels of innovation (M=5.14, SD=1.22), SDG achievement (M=4.93, SD=1.24), and social inclusion (M=4.82, SD=1.29). All correlations are positive and statistically significant ($p<0.01$), indicating relationships in the expected direction. CSR demonstrates strong correlations with SDG achievement (r=0.634), innovation (r=0.612), and social inclusion (r=0.583), providing preliminary support for the hypothesized relationships. Multicollinearity is not a concern as all correlation coefficients are below 0.7.

Table 4: Direct Effects in Structural Model

Relationship	**Path Coefficient (β)**	**t-value**	**p-value**	**95% CI**	**Result**
CSR → SDG Achievement	0.421	6.872	<0.001	[0.305, 0.528]	Supported
CSR → Social Inclusion	0.583	12.465	<0.001	[0.492, 0.668]	Supported
CSR → Innovation	0.612	13.741	<0.001	[0.525, 0.694]	Supported
Social Inclusion → SDG Achievement	0.243	4.128	<0.001	[0.132, 0.352]	Supported
Innovation → SDG Achievement	0.218	3.875	<0.001	[0.107, 0.329]	Supported

Table 4 presents the direct effects in the structural model. CSR demonstrates a significant positive direct effect on SDG achievement ($\beta=0.421$, $p<0.001$), supporting the fundamental relationship between corporate responsibility practices and sustainable development outcomes. Additionally, CSR shows strong positive relationships with both potential mediators: social inclusion (β=0.583, p<0.001) and innovation (β=0.612, p<0.001). Both mediating variables demonstrate significant direct effects on SDG achievement: social inclusion (β=0.243, p<0.001) and innovation (β=0.218, p<0.001). The bootstrap-based 95% confidence intervals for all relationships exclude zero, further confirming the significance of these effects. These results provide the foundation for subsequent mediation analysis.

Table 5: Mediation and Moderation Analysis Results

Relationship	**Effect**	**Effect Size**	**t-value**	**p-value**	**95% CI**
Mediation Analysis					
CSR → SI → SDG	Indirect Effect	0.142	3.859	<0.001	[0.073, 0.212]
CSR → INN → SDG	Indirect Effect	0.133	3.724	<0.001	[0.065, 0.205]
CSR → SI+INN → SDG	Total Indirect Effect	0.275	5.126	<0.001	[0.168, 0.378]
CSR → SDG	Total Effect	0.696	17.453	<0.001	[0.618, 0.772]
Moderation Analysis					
CSR × TA → SDG	Interaction Effect	0.184	3.213	0.002	[0.075, 0.296]
Multi-Group Analysis (Business vs. HEI)					
CSR → SDG	Path Difference	0.092	1.486	0.139	[-0.031, 0.215]
CSR → SI → SDG	Path Difference	0.115	2.224	0.027	[0.014, 0.218]

CSR → INN → SDG	Path Difference	0.127	2.371	0.019	[0.021, 0.232]
CSR × TA → SDG	Path Difference	0.143	2.518	0.012	[0.032, 0.256]

Table 5 presents results from mediation and moderation analyses. The mediation analysis reveals significant indirect effects of CSR on SDG achievement through both social inclusion (β=0.142, p<0.001) and innovation (β=0.133, p<0.001), with a substantial total indirect effect (β=0.275, p<0.001). These findings support Hypothesis 1, confirming the mediating roles of social inclusion and innovation. The moderation analysis shows a significant interaction effect between CSR and technological advancement on SDG achievement (β=0.184, p=0.002), supporting Hypothesis 2 regarding the moderating role of technological advancement. The multi-group analysis comparing business organizations with higher education institutions reveals non-significant differences in the direct CSR-SDG relationship (path difference=0.092, p=0.139), but significant differences in the indirect effects through social inclusion (path difference=0.115, p=0.027) and innovation (path difference=0.127, p=0.019). Additionally, the moderation effect of technological advancement differs significantly between organizational types (path difference=0.143, p=0.012). These findings indicate that while CSR influences SDG achievement across organizational contexts, the mechanisms and moderating factors differ between business organizations and higher education institutions.

Table 6: Conditional Effects of CSR on SDG Achievement at Different Levels of Technological Advancement

Organization Type	**Technological Advancement Level**	**Effect**	**SE**	**t-value**	**p-value**	**95% CI**
Overall Sample	Low (-1 SD)	0.287	0.062	4.629	<0.001	[0.165, 0.409]
	Medium (Mean)	0.421	0.056	7.518	<0.001	[0.311, 0.531]

	High (+1 SD)	0.555	0.067	8.284	<0.001	[0.423, 0.687]
Business Organizations	Low (-1 SD)	0.261	0.078	3.346	<0.001	[0.108, 0.414]
	Medium (Mean)	0.375	0.071	5.282	<0.001	[0.236, 0.514]
	High (+1 SD)	0.489	0.085	5.753	<0.001	[0.322, 0.656]
Higher Education Institutions	Low (-1 SD)	0.318	0.094	3.383	<0.001	[0.134, 0.502]
	Medium (Mean)	0.467	0.086	5.430	<0.001	[0.298, 0.636]
	High (+1 SD)	0.616	0.103	5.981	<0.001	[0.414, 0.818]

Table 6 presents the conditional effects of CSR on SDG achievement at different levels of technological advancement, both for the overall sample and separately for each organizational type. For the overall sample, the effect of CSR on SDG achievement increases substantially from low technological advancement (β=0.287, $p<0.001$) to high technological advancement (β=0.555, $p<0.001$), confirming the enhancing moderation effect. When comparing organizational types, higher education institutions demonstrate stronger CSR-SDG relationships at all technological advancement levels compared to business organizations. The difference is particularly pronounced at high technological advancement levels, where the effect in higher education institutions (β=0.616, $p<0.001$) substantially exceeds that in business organizations (β=0.489, $p<0.001$). This pattern suggests that technological advancement plays a particularly important role in amplifying CSR impacts on sustainable development within knowledge-intensive institutional contexts.

Results and Findings

The empirical analysis reveals several key findings regarding the relationships between Corporate Social Responsibility, SDG achievement, and the mediating and moderating variables examined in this study.

First, CSR demonstrates a significant direct positive effect on SDG achievement ($\beta=0.421$, $p<0.001$), confirming the fundamental relationship proposed in the theoretical framework. This finding aligns with prior research suggesting that corporate responsibility initiatives contribute directly to sustainable development outcomes through operational impacts, stakeholder engagement, and resource allocation. The strength of this direct effect indicates that CSR represents a substantial driver of organizational contributions to sustainable development goals in the Saudi context.

Second, the mediation analysis provides strong support for Hypothesis 1, confirming the significant mediating roles of social inclusion and innovation in the CSR-SDG relationship. The indirect effect through social inclusion ($\beta=0.142$, $p<0.001$) indicates that CSR initiatives that enhance participation, access, and equity for disadvantaged groups significantly contribute to sustainable development outcomes. Similarly, the indirect effect through innovation ($\beta=0.133$, $p<0.001$) suggests that CSR activities that stimulate innovative capabilities enhance organizational contributions to SDGs. The total indirect effect ($\beta=0.275$, $p<0.001$) represents approximately 39.5% of the total effect of CSR on SDG achievement, highlighting the substantial importance of these mediating mechanisms.

Third, the moderation analysis supports Hypothesis 2, confirming the significant moderating role of technological advancement in the CSR-SDG relationship (interaction effect: $\beta=0.184$, $p=0.002$). The conditional effects analysis reveals that the impact of CSR on SDG achievement increases substantially as technological advancement increases, from $\beta=0.287$ at low technological advancement to $\beta=0.555$ at high technological advancement. This finding suggests that organizations with advanced technological capabilities can significantly enhance the sustainability impacts of their CSR initiatives.

Fourth, the multi-group analysis reveals important differences in these relationships across organizational contexts. While the direct CSR-SDG relationship does not differ significantly between business organizations and higher education institutions (path difference=0.092, p=0.139), the indirect effects through both mediators show significant differences. The mediating effect of social inclusion is significantly stronger in higher education institutions (path difference=0.115, p=0.027), possibly reflecting their stronger community engagement orientation. Similarly, the mediating effect of innovation demonstrates significant differences (path difference=0.127, p=0.019), with stronger effects in higher education settings where knowledge creation is a core function.

Finally, the moderation effect of technological advancement differs significantly between organizational types (path difference=0.143, p=0.012), with higher education institutions demonstrating a stronger enhancing effect of technology on CSR-SDG relationships. This finding suggests that the knowledge-intensive nature of higher education institutions may enable them to more effectively leverage technological capabilities to enhance the sustainability impacts of their CSR initiatives.

Collectively, these findings support a comprehensive model wherein CSR influences SDG achievement through both direct and indirect pathways, with these relationships significantly moderated by technological advancement and varying across organizational contexts. The results highlight the importance of considering both mediating mechanisms and contextual factors when examining how organizational practices contribute to sustainable development outcomes.

Suggestions

Based on the research findings, several strategic recommendations emerge for organizations seeking to enhance their contributions to sustainable development through Corporate Social Responsibility initiatives:

Organizations should develop integrated CSR frameworks that explicitly align with specific SDG targets rather than implementing fragmented sustainability initiatives. The research demonstrates that strategic alignment between CSR activities and sustainable development priorities significantly enhances impact. This integration should occur at both strategic planning and operational implementation levels, with clear metrics for measuring contributions to specific SDGs.

Institutional leaders should prioritize social inclusion dimensions within CSR programs by implementing participatory decision-making processes, inclusive governance structures, and equitable benefit distribution mechanisms. The significant mediating effect of social inclusion indicates that organizations can substantially enhance their SDG contributions by ensuring that marginalized groups participate meaningfully in program design and implementation.

Organizations should systematically incorporate innovation capabilities into their sustainability strategies, particularly through establishing dedicated sustainability innovation labs, cross-functional collaboration mechanisms, and incentive systems that reward sustainable innovation. The research confirms that innovation significantly mediates the relationship between CSR and SDG achievement, suggesting that organizations with stronger innovation capabilities can generate enhanced sustainability outcomes from their CSR initiatives

Institutional leaders should strategically invest in technological capabilities that specifically enhance sustainability initiatives, with particular focus on resource efficiency technologies, circular economy solutions, inclusive digital platforms, sustainable supply chain technologies, and environmental monitoring systems. The significant moderating effect of technological advancement indicates that organizations can substantially amplify the impact of their CSR initiatives by leveraging appropriate technologies.

Finally, organizations should adopt context-specific approaches to CSR implementation that account for their institutional characteristics and operational environments. The significant differences observed between business organizations and higher education institutions suggest that sustainability strategies should be tailored to organizational context rather than implementing standardized approaches across diverse institutional settings.

Implications

This research offers several significant implications for theory, practice, and policy related to Corporate Social Responsibility and sustainable development:

Theoretical Implications

The findings contribute to CSR theory by empirically validating a comprehensive model that incorporates both mediating mechanisms and contextual moderators, addressing limitations in previous literature that often examined direct relationships without considering intervening processes. The significant mediating roles of social inclusion and innovation expand theoretical understanding of the pathways through which CSR influences sustainability outcomes. Furthermore, the research advances contingency perspectives in CSR research by demonstrating how contextual factors—specifically technological advancement and organizational type—significantly moderate these relationships.

Practical Implications

For organizational leaders and CSR practitioners, this research provides evidence-based guidance for enhancing the effectiveness of sustainability initiatives. The findings suggest that practitioners should design CSR programs that explicitly incorporate social inclusion and innovation dimensions to maximize impact on sustainable development outcomes. Additionally, the significant moderating effect of technological advancement offers practical guidance for technology investment decisions, suggesting that organizations should prioritize technologies that enhance sustainability capabilities. The differential effects observed across organizational contexts provide valuable insights for context-appropriate implementation strategies.

Policy Implications

For policymakers, particularly within the Saudi Vision 2030 context, this research offers important insights for designing effective sustainability promotion frameworks. The findings suggest that policy initiatives should encourage integrated approaches to CSR that align with national sustainable development priorities while accounting for organizational contexts. The significant mediating role of social inclusion suggests that policies should emphasize inclusive practices within corporate sustainability initiatives. Furthermore, the enhancing moderation effect of technological advancement indicates that policies promoting technology adoption should specifically target sustainability-enhancing technologies.

Limitations

Despite its contributions, this research has several limitations that should be acknowledged:

The cross-sectional research design limits causal inferences regarding the relationships examined. While the structural equation modeling approach allows for testing hypothesized causal relationships, longitudinal research would provide stronger evidence regarding causality and temporal dynamics in these relationships.

The self-reported nature of the data introduces potential for common method bias and social desirability bias, although statistical tests suggest these biases do not substantially influence the findings. Future research could strengthen measurement validity by incorporating objective indicators of sustainability performance and triangulating data sources.

The geographical focus on Saudi Arabia may limit the generalizability of findings to other national contexts with different institutional environments, cultural characteristics, and development priorities. Cross-cultural comparative research would enhance understanding of how these relationships manifest across diverse contexts.

The focus on two broad organizational categories (business organizations and higher education institutions) may obscure important variations within these categories. More granular analysis of organizational subgroups would provide deeper insights into context-specific effects.

Finally, while the research examines technological advancement as a moderating variable, it does not differentiate between specific types of technologies or their implementation characteristics. More detailed investigation of different technology categories and implementation approaches would enhance practical applicability of the findings.

Scope of Future Research

This study opens several promising avenues for future research on Corporate Social Responsibility and sustainable development:

Longitudinal research examining how CSR-SDG relationships evolve over time would provide valuable insights into temporal dynamics and sustainability trajectory development. Such research could identify critical developmental stages in organizational sustainability maturity and how mediating and moderating effects change throughout these stages.

Comparative studies across diverse national contexts would enhance understanding of how institutional environments influence the relationships examined in this research. Particular attention to varying levels of economic development, cultural characteristics, and policy frameworks would contribute to more contextually nuanced understanding of these relationships.

More granular investigation of specific SDG targets and their relationships with particular CSR dimensions would provide practical guidance for targeted sustainability initiatives. Such research could identify which CSR approaches most effectively advance specific sustainable development priorities.

Exploration of additional mediating mechanisms beyond social inclusion and innovation would further enhance understanding of the pathways through which CSR influences sustainability outcomes. Potential mediators worth investigating include stakeholder engagement quality, organizational learning processes, and institutional legitimacy mechanisms.

Finally, more detailed examination of technological factors would enhance practical applicability, particularly research differentiating between specific technology categories (e.g., digital, environmental, social) and their respective influences on CSR-SDG relationships. Such research could provide valuable guidance for technology investment decisions in sustainability contexts.

Conclusion

This research provides comprehensive insights into the complex relationships between Corporate Social Responsibility and SDG achievement, with particular focus on the mediating roles of social inclusion and innovation and the moderating effects of technological advancement across different organizational contexts in Saudi Arabia. The findings demonstrate that CSR significantly contributes to sustainable development outcomes through both direct and indirect pathways, with these relationships substantially enhanced by technological capabilities and varying across institutional settings.

The significant mediating effects of social inclusion and innovation highlight the importance of these dimensions within CSR frameworks, suggesting that organizations should prioritize participatory approaches and innovative capabilities in their sustainability initiatives. The enhancing moderation effect of technological advancement indicates that organizations can substantially amplify their sustainability impacts by strategically leveraging appropriate technologies, particularly in knowledge-intensive contexts like higher education institutions.

These findings have important implications for organizational strategy, offering evidence-based guidance for designing effective CSR programs that maximize contributions to sustainable development. For policymakers, particularly within the Saudi Vision 2030 context, the research provides valuable insights for creating supportive frameworks that promote effective corporate contributions to national and global sustainability objectives.

While acknowledging methodological limitations, this study makes a substantial contribution to the literature by providing a comprehensive model of the CSR-SDG relationship that incorporates both mediating mechanisms and contextual moderators. The findings establish a foundation for future research exploring these relationships across diverse contexts, with different methodological approaches, and at varying levels of analysis. Such research will further enhance understanding of how organizations can effectively contribute to sustainable development through their Corporate Social Responsibility initiatives, ultimately advancing progress toward the transformative goals outlined in both global frameworks like the SDGs and national initiatives like Saudi Vision 2030.

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