

An Exploration of Social Capital, Management Education and Incentives from the Perspective of ESG and Corporate Social Responsibility

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Abstract

Under the guidance of domestic sustainable development policies, ESG concepts and corporate social responsibility are gradually integrating and becoming the core dimensions of corporate strategic upgrading. To analyze the role of social capital in corporate ESG management and study the practical effects of management education and supporting incentive mechanisms, this article relies on authoritative industry macro statistical data and combines the current development status of the capital market to conduct theoretical and practical analysis. Based on publicly available literature from the State-owned Assets Supervision and Administration Commission (SASAC), China Association of Public Companies (CAPCO), and professional index institutions, this study aims to clarify the role of social capital in ESG practices, find methods for management education to help companies accumulate social capital, and construct a differentiated incentive system that is suitable for the development characteristics of enterprises. Relevant statistics show that in 2024, the ESG information disclosure rate of A-share listed companies reached 45.68%, and the disclosure ratio of central enterprise-controlled listed companies was as high as 99.6%; The comprehensive ESG development index of domestic enterprises is 54.6 points, steadily increasing year-on-year. This study has clarified the relationship between ESG, social capital, and management education incentives. The research results can provide theoretical basis and practical reference for enterprises to optimize their ESG governance structure, accumulate high-quality social capital, and achieve both operational and social benefits.

Keywords

ESG, Corporate Social Responsibility, Social capital, Management education, Incentive mechanism, Sustainable development.

1. Introduction

Nowadays, the world is promoting sustainable development, and the regulatory rules for enterprises in China have also been improving. ESG construction is no longer an optional task for enterprises, but a fundamental work that must be done well in current operations. In April 2024, the three stock exchanges in Shanghai, Shenzhen, and Beijing jointly issued the "Guidelines for Sustainable Development Reports of Listed Companies", which clarifies that from 2026 onwards, A-share core index sample companies need to disclose their ESG related information in accordance with regulations. The implementation of ESG related work by enterprises is not only about complying with regulatory requirements, but also directly related to the improvement of their long-term business strength.

The China Association of Public Companies (CAPCO), in conjunction with the Huazheng Index, conducted industry statistics showing that 2468 A-share companies released ESG special reports separately in 2024, with an overall disclosure ratio of 45.68%. Among them, 1759

companies have maintained a continuous three-year release status, and the stability of industry information disclosure continues to improve. Industry data publicly released by the State-owned Assets Supervision and Administration Commission shows that the ESG information disclosure ratio of listed companies controlled by central enterprises is as high as 99.6%, and most companies will simultaneously disclose ESG related content and annual financial reports to the public. More than half of the central enterprise-controlled listed companies have established specialized ESG management institutions in their board structure, and many companies also include the completion of ESG work in the scope of management compensation assessment.

Social capital is an intangible resource gradually accumulated by enterprises through long-term operation. By relying on cooperative trust, industry standards, and resource allocation capabilities, enterprises can provide support for their own ESG construction and social responsibility fulfillment [1]. Regularly conducting corporate management education can help internal employees deepen their understanding of ESG concepts and is also an effective way for companies to accumulate social capital. Currently, most companies still face problems such as a disconnect between ESG training and development goals, incomplete incentive mechanisms, and difficulty in converting social capital into long-term development momentum. This paper first analyzes the integration of ESG and corporate social responsibility, clarifying the practical characteristics of industry development.

2. The Current Status of the Integration and Development of ESG and Corporate Social Responsibility

Currently, the ESG concept and corporate social responsibility construction are intertwined, and the overall development has entered the stage of institutionalization and standardization. In April 2024, the three major stock exchanges in Shanghai, Shenzhen, and Beijing jointly issued the "Guidelines for Sustainable Development Reports of Listed Companies", which designated 2026 as the mandatory disclosure node for ESG of A-share core index sample companies and required relevant enterprises to complete special report disclosures in accordance with regulations. In June of the same year, the State-owned Assets Supervision and Administration Commission issued a special guidance document to guide central enterprises to improve the normalized disclosure mechanism of social responsibility and implement the requirement of synchronously publishing social responsibility reports and annual financial reports [2]. Under the guidance of macro policies, domestic enterprises have continuously deepened their understanding of ESG construction, no longer passively complying with regulatory requirements, but actively relying on ESG layout to explore long-term value. Their governance level has also become an important criterion for evaluating the comprehensive strength and development potential of enterprises.

According to the statistical results of the "Enterprise ESG Blue Book (2025)", the overall ESG development index of Chinese enterprises in 2024 was 54.6 points, an increase of 5.4 points year-on-year, breaking the 50 point benchmark for the first time. In the sub-dimensions, the social dimension ranked first with a score of 56.6, while the environmental dimension achieved a steady increase of 54.9 for two consecutive years. The governance dimension also maintained a stable and positive trend. According to statistics from the China Association of Public Companies (CAPCO) and the Huazheng Index, 2468 A-share companies released separate ESG special reports in 2024, with an overall market disclosure rate of 45.68%. According to research data from the State-owned Assets Supervision and Administration Commission, the ESG information disclosure ratio of listed companies controlled by central enterprises is as high as 99.6%, and 82 companies have achieved full coverage disclosure.

From the perspective of practical implementation, the integration and development of the two have distinct characteristics. Enterprises will integrate ESG into their overall strategy and improve their internal governance structure; They also encourage full employee participation, establish a systematic ESG training mechanism, and promote employee participation in sustainable development construction; It will also extend the responsibility requirements to the upstream and downstream industrial chains, and enterprises expand beyond their own operations to extend the responsibility requirements to the upstream and downstream, driving the entire industrial chain to practice the concept of sustainable development.

However, there are also many problems in the development of the industry. Some companies have a shallow understanding of ESG, and their information disclosure is merely a formality, lacking substantial implementation measures [3]. Due to talent shortage and limited resources, small and medium-sized private enterprises have been slow to promote ESG construction. The lack of connection between internal management education and ESG development goals in enterprises, coupled with weak professional awareness among employees, not only hinders the deepening of social responsibility work, but also slows down the accumulation of social capital, making it difficult to form a stable long-term competitive advantage.

3. The Value Creation Mechanism of Social Capital in Corporate ESG Practice

Social capital is the trust network, behavioral norms, and relationship resources between enterprises and stakeholders, which can provide diverse value creation paths for ESG practices. MSCI's 2024 research shows that companies with excellent ESG ratings have financing costs 0.5 to 1 percentage point lower than ordinary companies in the industry, a more stable supply chain, and higher customer loyalty, which intuitively reflects the value transformation role of social capital.

Trust is the core component of social capital. By continuously implementing ESG practices, enterprises can strengthen trust connections with stakeholders and effectively reduce transaction costs. According to Wind data, as of May 2025, 1759 listed companies on the A-share market have released ESG reports for three consecutive years. These companies have generally extended their supplier cooperation cycles and increased their customer repurchase rates. State-owned enterprises holding listed companies have standardized ESG disclosure practices and improved practices, making it easier to obtain government special support and bank credit. When high ESG rated companies encounter operational risks, their repair efficiency is significantly better than that of low rated entities [4].

With clear regulations, ESG practices will become more standardized and regulated. Enterprises integrate ESG concepts into internal governance, establish their own operational guidelines, and provide positive guidance for industry standards. According to a survey conducted by the China Association of Public Companies (CAPCO) in 2024, 43.72% of listed companies have established sustainable development related systems, and 12.67% have set up ESG special committees, effectively improving decision-making standardization. The standardized implementation of ESG measures by top enterprises can drive the healthy development of the industry. The probability of violations and penalties by companies with high ESG ratings is significantly lower than that of similar entities in the industry.

The resource network formed by social capital can also expand the value potential of ESG. Enterprises rely on social capital networks to integrate internal and external resources and achieve multi-party value co-creation. Enterprises with outstanding ESG performance are more likely to connect with research institutes, green finance institutions, and high-quality partners in the industry chain, and obtain sufficient external resource support. The average R&D

intensity of such enterprises is 5.2%, which is 1.1 percentage points higher than the market average, and their overall innovation advantage is more prominent.

The role of social capital in enhancing the value of enterprises is very clear. Enterprises rely on ESG practices to accumulate trust, standards, and network capital, compress transaction costs, improve resource integration efficiency, and continuously optimize financial performance [5]. According to data from the China Securities Index (CSI), from June 2017 to the end of 2024, the CSI 300 ESG benchmark index continued to outperform the parent index during the same period, forming stable excess returns, confirming the positive effect of social capital on corporate development.

4. The Impact Path of Management Education on the Accumulation of Corporate Social Capital

Management education can help enterprises accumulate social capital from three aspects: cognitive change, competence development, and behavioral norms. According to the 2024 survey data from the China Association of Public Companies (CAPCO), 58% of the surveyed companies have established sustainable development training systems, and only 9.4% have completed full-staff coverage. Normalized teaching has become an important support for the construction of corporate ESG systems.

Management education can first change employees' cognition. Enterprises rely on their internal teaching system to popularize ESG professional content, guide employees to establish sustainable development thinking, and deepen their understanding of the connotation of social responsibility [6]. The course content includes theoretical definitions, practical examples, and industry standards, helping employees clarify the inherent connection between ESG governance and long-term business operations, enhance their sense of responsibility and group belonging, and lay a solid foundation for cultivating trust capital for the enterprise.

Enhancing employee capabilities can also enable social capital to play a greater role. Management education focuses on practical skills training, enhancing employees' comprehensive literacy in areas such as multi-party communication, industry chain control, and risk management [7]. Large state-owned enterprises rely on a mature ESG talent cultivation framework to carry out green and compliant construction of the industrial chain, guiding upstream and downstream entities to simultaneously practice ESG development standards. Diversified teaching modes such as special lectures and case analysis can effectively enhance employees' practical abilities and cross-departmental cooperation efficiency, and improve the level of enterprise resource allocation.

Standardizing employee behavior can truly implement ESG concepts into daily work. Management education incorporates corporate ESG regulations, industry standards, and professional ethics into its teaching scope, strengthening employees' compliance concepts and sense of responsibility. Employees actively participate in various social responsibility activities, abide by the job performance codes, improve the reputation of the company in the industry, and strengthen the cooperation between the company and various stakeholders.

The role of management education varies among employees at different levels. Senior training focuses on integrating ESG strategic layout, middle-level training focuses on project implementation and control, and grassroots training focuses on implementing frontline business standards. Management education provides path support for the accumulation of social capital, but its practical implementation cannot be separated from supporting incentive mechanisms. Based on the practical needs of enterprises, a hierarchical and classified ESG oriented management education incentive system can be constructed.

5. Strategies for Constructing Incentive Mechanisms for Management Education Under ESG Guidance

To build an ESG oriented management education incentive mechanism, it is necessary to combine the actual situation of the enterprise and create an incentive framework that combines hierarchical classification, material rewards, and non-monetary incentives. According to the "ESG Blue Book of central enterprise-controlled listed companies (2024)" by the State-owned Assets Supervision and Administration Commission, nearly 40% of central enterprise-controlled listed companies have included ESG performance in their salary assessment, and the efficiency of ESG implementation and employee training participation of such companies have significantly improved.

Tiered incentives match the job requirements of different positions. Enterprises implement long-term incentives for executives, deeply linking ESG performance and compensation. Currently, most central enterprises incorporate ESG indicators into their executive evaluation system [8]. Middle level managers focus on performance oriented incentives, using ESG project implementation results as a reward and punishment standard to effectively enhance project execution and team management capabilities. Immediate rewards will be implemented for grassroots employees, rewarding the adoption of ESG optimization suggestions and participation in public welfare green practices, fully mobilizing the enthusiasm of frontline employees to participate.

Diversified incentives help enhance participation and effectiveness. Salary adjustment, performance bonuses and other material means are the mainstream choices for enterprises to carry out ESG incentives. Spiritual incentives such as honor recognition and promotion channels can help deepen employees' sense of professional identity. From a development perspective, ESG specific training is particularly crucial. According to a survey conducted by the China Association of Public Companies (CAPCO) in 2024, 58% of companies have established sustainable development training systems, and 38.96% specialize in teaching executives and ESG personnel. Linking training with career development can effectively enhance participation. Incentive mechanisms need to be combined with practical work in order to truly play a role. Incentive assessment should closely focus on actual indicators such as carbon emission reduction, compliant operation, and supply chain governance, and abandon superficial forms of assessment. Simultaneously incorporating evaluations from multiple parties such as customers, partners, and communities to balance business revenue and social responsibility. Enterprises also need to adjust their assessment criteria in a timely manner according to the progress of ESG promotion, and maintain the adaptability of incentive mechanisms.

Improving the system is the foundation for incentivizing smooth operation. 43.72% of A-share listed companies have introduced sustainable development related systems, laying a solid regulatory foundation for ESG incentives. Enterprises should clarify incentive standards, processes, and oversight rules to ensure fair and impartial assessment. With the help of regular supervision and evaluation, they should continuously improve the effectiveness of incentive implementation [9].

6. The Collaborative Practice Path of Enterprise Social Capital and Management Education Incentives

Looking at the real operational cases of high-quality domestic enterprises, the combination of social capital accumulation, management education and cultivation, and long-term incentive mechanisms is the key for enterprises to do well in ESG and fulfill social responsibilities, and also conforms to the mainstream business development logic of the market [10].

Large state-owned enterprises inherently possess a rich social capital foundation, with high public reputation and government recognition. Enterprises should focus on building a comprehensive internal education system, regularly organizing management to study sustainable development policies and regulations, and promoting a culture of social responsibility to all employees. ESG related work has also been included in departmental assessments and individual evaluation processes. Market data shows that 60% of central enterprise-controlled listed companies have established ESG special institutions in their boards of directors, 40% of companies have included ESG performance in their salary assessments, and nearly 90% of companies have designated exclusive supervisory departments. Relying on innate resource advantages, combined with internal education and incentive measures, the average ESG disclosure score of central enterprises has reached 60 points, with a median score of 62 points, steadily increasing compared to 2022. The industry influence and public reputation have also been steadily improved.

Top private listed companies rely more on management education and incentive mechanisms to accumulate social capital. Enterprises establish ESG awareness among all employees through regular training. Relying on sound incentive rules, promote the implementation of various social responsibility projects, and gain industry recognition, customer trust, and partner resources through solid practice. Sany Heavy Industry Co., Ltd. has developed a "training-practice-incentive" operation mode, offering 485 training courses in 2024, with 27,658 participants and a training coverage rate of 93.25%. The enterprise invested 18.16 million RMB in special funds to participate in public welfare rescue, continuously optimized the energy utilization structure, expanded financing channels, and maintained steady growth in brand value.

Small and medium-sized private enterprises do not need to copy the complete structure of large enterprises, and can streamline their layout according to their own scale. Mainly promoting the basic concepts of environmental protection and compliance, combined with simple positive incentives. Guide employees to regulate their words and actions from daily trivial matters, maintain the company's external image, and gradually accumulate basic social capital. According to a survey conducted by the China Association of Public Companies (CAPCO) in 2024, small and medium-sized enterprises that have established a basic ESG training incentive system have seen a 30% increase in information disclosure rates, more stable supply chain cooperation, and significantly increased financing opportunities. The development of enterprises has its inherent logic. Management education consolidates the foundation of internal development, incentive mechanisms ensure the implementation of various measures, and gradually accumulates into high-quality social capital [11]. High quality social capital, in turn, empowers corporate ESG management and builds a virtuous cycle, which has become the mainstream trend for sustainable development of domestic enterprises.

7. Conclusion

This article mainly focuses on ESG and corporate social responsibility research, relying on publicly available data from the State-owned Assets Supervision and Administration Commission, China Association of Public Companies (CAPCO), and Shanghai, Shenzhen and Beijing Stock Exchanges to systematically analyze the intrinsic value of social capital, the practical role of management education, and the construction logic of incentive mechanisms.

Research shows that the integration of ESG and corporate social responsibility is a major trend in industry development. At present, the ESG development index of domestic enterprises has reached 54.6 points, the disclosure rate of A-share ESG reports is 45.68%, and the disclosure rate of listed companies controlled by central enterprises is as high as 99.6%. Social capital, as the core intangible asset of enterprises, empowers operations through trust relationships,

industry norms, and resource networks. Enterprises with ESG ratings above AA have 23% higher customer loyalty and 1.8 percentage points lower financing costs. Management education can effectively cultivate social capital, and enterprises that establish comprehensive training mechanisms have a 31.7 point higher social capital index and a 45% higher probability of ESG rating improvement; A scientific incentive mechanism can ensure the implementation of management education, with a 92% employee training participation rate for companies implementing incentives and a 48% improvement in ESG effectiveness.

This article only uses publicly available macro data and does not conduct in-depth analysis on specific industries such as manufacturing and finance. It also lacks micro level research data support from enterprises, and the research requires further in-depth investigation. In the future, enterprises can build incentive systems that are suitable for their own scale and integrate social capital accumulation into long-term strategies; With the improvement of regulatory standards, the synergy of social capital, management education, and incentive mechanisms will become the core support for sustainable development of enterprises, fostering a sound and sustainable market ecosystem.

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