

Analysis of Implementation of CSR Programmes and Role of Employees in Karnataka

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Abstract

Corporate Social Responsibilities (CSR) stems from a pledge to the society in which a business operates. India is a pioneer in introduction of an act to make CSR an obligatory and legal responsibility of companies. The eligible companies are bound to be spent 2 percent of their net profit on the various issues of human concerns, like promoting and providing healthcare services. In the practice, employees working in the health sector play predominant role in transforming the benefits of CSR to final beneficiaries. In this direction, the present study has estimated the effectiveness by using primary data and chi-square analysis. It has found from the analysis that the employees in Mysuru and Bengaluru have better awareness, knowledge about CSR and activities of eligible companies under CSR programme. At the same time, employees are acquaintance and capable of identifying the potential customer for the programme in Mysuru and Bengaluru. Accordingly, the satisfaction level of these employees is also very high. There is a need of orienting the employees for CSR programme in Mangalore and Davangere. Irrespective of region and district the association of employees in implementation of the programmes and their willingness to be part of the CSR programmes does not change in Karnataka. Essentially, it is very positive aspect for effective implementation of CSR programmes in all the districts of Karnataka. Accordingly, awareness, knowledge and capabilities are the pre-requisites for effective implementation of CSR programme. Hence, the employees in the healthcare sector can be utilized for the effective implementation of the CSR programme by giving necessary orientation to them.

Keywords: CSR, Healthcare and Employees.

Introduction:

In India and all over the world, Corporate Social Responsibilities (CSR) has become part of mandatory business ethics. Society provides platform for all kinds of actions, performance and surpass. At the same time, Beneficiaries of societies have their responsibilities to the societies. In view of that, all over the world, Corporate Social Responsibilities (CSR) stems from a promise to the society in which a business operates (Rohini & Mahadevappa, 2010). Matter of fact, India has long history of ethical responsibility of companies to society in the form of charity which is strongly motivated by Gandhian philosophy and India is a pioneer in introduction of an act to make CSR a compulsory and legal responsibility of companies.

The Government of India under the Ministry of Corporate Affairs, has recently notified the Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 "hereinafter CSR Rules" and other notifications related thereto which makes it mandatory (with effect from 1st April, 2014) for certain companies who fulfill the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility (Ministry of Companies Arrair, 2018).

Review of Literature:

From the previous studies it has been found that there are enormous literatures available on various issues of CSR both in India at international level. Most of the early studies have focused on evolution of corporate responsibility to the society(Arundhati, 2013). Studies have also discussed the rules, regulations practices, provisions of CSR. Some of the studies have examined the performance of CSR at country level, specific company's performance and even at implementation of the specific programme in the society(Morlock & Alexander, 1986). However, previous studies have been devoted to analyze the stake holder perspective of CSR based on stake holder theory(Fottler, Blair, Whitehead, Laus, & Savage, 1989). Few studies have also evaluated the satisfaction of beneficiaries of CSR(Zacharia & Chong, 2017). Some studies have extended the satisfaction analysis to health sector(Ibrahim, Angelidis, & Howard, 2000). However, the previous studies have not systematically examined the role of employees in effective implementation of CSR programmes on various health issues, particularly, in Bengaluru of Karnataka. Accordingly, the present study will effectively fill this gap.

Methodology:

The present study is scientific and used analytical inductive method for arriving at appropriate arguments and conclusion. The study has used primary non-parametric nominal data collected from 240 sample respondents (Employees in Hospitals) working in government hospitals and primary health centers. Four Districts from Karnataka have chosen for the study based on the magnitude of CSR activities; Bengaluru, Mysuru, Mangalore and Davangere. The three point scale used for enumeration of data and sample respondents have randomly selected. The results obtained from the data have presented in the form of cross-tabulation. The arguments have been made based on the tested proofs with the help of non-parametric chi-square tests.

The basic issues addressed in the present work are;

- Awareness of employees about CSR.
- Knowledge about activities of eligible companies under CSR.
- Acquaintance with healthcare activities under CSR.
- Capabilities in identification of potential customer for CSR Practices.
- Willingness to be part of CSR in implementation of health programmes.
- Satisfaction in participating in health programmes under CSR.

Results and Discussion:

The major focus of the present study is to examine the role of employees (working in the healthcare sector) in implementation of healthcare programmes under CSR practices in Karnataka. The effectiveness of the programmes has been evaluated based on the regional factor. The results of the study have presented in the following section.

Table 1: Awareness of employees about CSR in Karnataka

(In Numbers and Percentage)

Awareness		Employees				Total
		Bengaluru	Mangalore	Mysuru	Davangere	
Low	Count	5	9	3	13	30
	% within Employees	8.3%	15.0%	5.0%	21.7%	12.5%
Medium	Count	6	32	5	35	78
	% within Employees	10.0%	53.3%	8.3%	58.3%	32.5%
High	Count	49	19	52	12	132
	% within Employees	81.7%	31.7%	86.7%	20.0%	55.0%
Total	Count	60	60	60	60	240
	% within Employees	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-Square Association Test Value: 86.328		DF: 06		Sig: 0.000		

Source: Researcher computed the values by using field study data.

The region-wise awareness of employees about CSR has estimated and presented in the above table. It has found from the study that the employees' knowledge about CSR in Mysuru is significantly high compared to employees in other districts. At the same time, knowledge about CSR level is very low in Davangere district. It has been proved by the chi-square association test that there is significant association between districts and the level of awareness. Accordingly, region has significant influence on the level of awareness about CSR which is necessary first step for effective implementation of CSR programmes. Hence, there is need to conduct awareness camps to increase the awareness level of people about CSR in Davangere and Mangalore districts.

Table 2: Knowledge about Activities of Eligible Companies under CSR in Karnataka**(In Numbers and Percentage)**

Knowledge		Employees				Total
		Bengaluru	Mangalore	Mysuru	Davangere	
Low	Count	6	30	6	33	75
	% within Employees	10.0%	50.0%	10.0%	55.0%	31.3%
Medium	Count	13	17	6	16	52
	% within Employees	21.7%	28.3%	10.0%	26.7%	21.7%
High	Count	41	13	48	11	113
	% within Employees	68.3%	21.7%	80.0%	18.3%	47.1%
Total	Count	60	60	60	60	240
	% within Employees	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-Square Association Test Value: 78.940		DF: 06		Sig: 0.000		

Source: Researcher computed the values by using field study data.

The region-wise employees' knowledge about CSR has estimated and presented in the above table. It has found from the study that the employees' knowledge about CSR in Mysuru is significantly high compared to employees in other districts. At the same time, knowledge level is very low in Davangere district. It has been proved by the chi-square association test that there is significant association between districts and the level of knowledge. Accordingly, region has significant influence on the level of knowledge about the companies engaged in CSR activities, which is necessary step for effective implementation of the CSR programmes. Hence, there is need to conduct knowledge camps to increase the knowledge level of employees about CSR in Davangere and Mangalore districts.

Table 3: Acquaintance with Healthcare Activities under CSR in Karnataka**(In Numbers and Percentage)**

Acquaintance		Employees				Total
		Bengaluru	Mangalore	Mysuru	Davangere	
Low	Count	5	9	5	9	28
	% within Employees	8.3%	15.0%	8.3%	15.0%	11.7%
Medium	Count	7	12	13	29	61
	% within Employees	11.7%	20.0%	21.7%	48.3%	25.4%
High	Count	48	39	42	22	151
	% within Employees	80.0%	65.0%	70.0%	36.7%	62.9%
Total	Count	60	60	60	60	240
	% within Employees	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-Square Association Test Value: 30.045		DF: 06		Sig: 0.000		

Source: Researcher computed the values by using field study data.

The region-wise acquaintance of employees with CSR has estimated and presented in the above table. It has found from the study that the acquaintance of employees with CSR in Bengaluru is significantly high compared to employees in other districts. At the same time, the level of acquaintance is very low in Davangere district. It has been proved by the chi-square association test that there is significant association between districts and the level of acquaintance. Accordingly, region has significant influence on the level of acquaintance of employees, which is necessary third important requirement for effective implementation of the CSR programmes. Indeed, it is necessary to make the employees more acquaintance with CSR, particularly in Davangere district.

Table 4: Capabilities in Identification of Potential Customer for CSR Practices

(In Numbers and Percentage)

Capabilities		Employees				Total
		Bengaluru	Mangalore	Mysuru	Davangere	
Low	Count	6	32	6	22	66
	% within Employees	10.0%	53.3%	10.0%	36.7%	27.5%
Medium	Count	8	11	5	25	49
	% within Employees	13.3%	18.3%	8.3%	41.7%	20.4%
High	Count	46	17	49	13	125
	% within Employees	76.7%	28.3%	81.7%	21.7%	52.1%
Total	Count	60	60	60	60	240
	% within Employees	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-Square Association Test Value: 83.121		DF: 06		Sig: 0.000		

Source: Researcher computed the values by using field study data.

Capabilities of employees in identification of potential customer for CSR programmes is an essential characteristic employees in the healthcare sector for effective implementation of CSR programme. The region-wise capabilities of employees in identification of potential customer for CSR has estimated and presented in the above table. It has found from the study that the capabilities of employees is significantly high in Mysuru is significantly high compared to employees in other districts. At the same time, the level of capabilities is very low in Davangere district. It has been proved by the chi-square association test that there is significant association between districts and the level of capabilities. Accordingly, region has significant influence on the level of capability of employees, which is necessary fourth important requirement for effective implementation of the CSR programmes. In fact, it is necessary to make the employees more capable in identifying the potential customer for CSR programmes, particularly in Davangere district.

Table 5: Willingness to be part of CSR in Implementation of Health Programmes**(In Numbers and Percentage)**

Willingness		Employees				Total
		Bengaluru	Mangalore	Mysuru	Davangere	
Low	Count	7	8	8	6	29
	% within Employees	11.7%	13.3%	13.3%	10.0%	12.1%
Medium	Count	6	10	8	6	30
	% within Employees	10.0%	16.7%	13.3%	10.0%	12.5%
High	Count	47	42	44	48	181
	% within Employees	78.3%	70.0%	73.3%	80.0%	75.4%
Total	Count	60	60	60	60	240
	% within Employees	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-Square Association Test Value: 2.349		DF: 06		Sig: 0.885		

Source: Researcher computed the values by using field study data.

Willingness of the employees to participate in CSR programme is a positive aspect of success of CSR programme. The region-wise willingness of employees to participate in CSR programme has estimated and presented in the above table. It has found from the study that the willingness of employees is almost same in all the districts. It has been proved by the chi-square association test that there is no significant association between districts and the level of willingness. Accordingly, region has no significant influence on the willingness of employees to participate in CSR programme. Irrespective of the district and regional factors, majority of the employees are willing to participate in CSR programme. Essentially, it is very positive aspect for effective implementation of CSR programmes in all the districts of Karnataka.

Table 6: Level of Satisfaction in Participating under CSR Health Programmes**(In Numbers and Percentage)**

Satisfaction		Employees				Total
		Bengaluru	Mangalore	Mysuru	Davangere	
Low	Count	5	43	4	46	98
	% within Employees	8.3%	71.7%	6.7%	76.7%	40.8%
Medium	Count	5	8	5	8	26
	% within Employees	8.3%	13.3%	8.3%	13.3%	10.8%
High	Count	50	9	51	6	116
	% within Employees	83.3%	15.0%	85.0%	10.0%	48.3%
Total	Count	60	60	60	60	240
	% within Employees	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-Square Association Test Value: 130.826		DF: 06		Sig: 0.885		

Source: Researcher computed the values by using field study data.

Satisfaction of employees in participating for CSR programmes is the outcome of the success of the CSR programme. The region-wise satisfaction of employees in participating under CSR has estimated and presented in the above table. It has found from the study that the satisfaction of employees is significantly high in Mysuru and Bengaluru compared to employees in Mangalore and Davangere districts. It has been proved by the chi-square association test that there is significant association between districts and the level of satisfaction. Accordingly, region has significant influence on the level of satisfaction of employees, which is outcome of effective implementation of the CSR programmes. In fact, it is necessary for participating in CSR programmes.

Conclusion:

The present study has analyzed the status and role of employees in effective implementation of CSR programmes in Karnataka. The analysis has made based on the regional perspective. It has found from the analysis that the employees in Mysuru and Bengaluru have better awareness, knowledge about CSR and activities of eligible companies under CSR programme. At the same time, employees are acquaintance and capable of identifying the potential customer for the programme in Mysuru and Bengaluru. Accordingly, the satisfaction level of these employees is also very high. There is a need of orienting the employees for CSR programme in Mangalore and Davangere. Irrespective of region and district the association of employees in implementation of the programmes and their willingness to be part of the CSR programmes does not change in Karnataka. Essentially, it is very positive aspect for effective implementation of CSR programmes in all the districts of Karnataka. Accordingly, awareness, knowledge and capabilities are the pre-requisites for effective implementation of CSR programme. Hence, the employees in the healthcare sector can be utilized for the effective implementation of the CSR programme by giving necessary orientation to them.

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