

# A STUDY ON THE PERCEPTION OF EMPLOYEES ABOUT CORPORATE SOCIAL RESPONSIBILITY (CSR) - A Review

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*Abstract: There is a trendy technique among Big Giants- the Corporates in various industries all over the world is what CSR- Corporate Social Responsibility because CSR is very vital for the overall growth and employee motivation of all the organizations. CSR can be defined as “Corporate at its social front”. The religious and spiritual understanding helps us to be ethical and all negative attitudes should be thrown out of our lives to maintain a peaceful life for self and also for others. The bigger players of the various industries are contributing towards the CSR but there is lot of requirements from the remaining companies along with Small-Medium Enterprises to promote social welfare on their behalf. In the effective implementation of CSR the concept of Private-Public Partnership (PPP) is essential. For the success of both social responsibility and organization effectively and efficiently the Human Resource Management (HRM) plays a key role. There is a need for awareness about CSR among the Stakeholders (including society) which will lead to rapid development of socio- environmental scenario in the country which forces the corporates towards CSR. To promote CSR, the Government has framed various legislations. The legitimation process is the thread leading from Corporate Social Performance (CSP) to Corporate Reputation (CR), where the CSP is the measurement of CSR which gives the way to Corporate Value. In order to widen the CSR concept there is a necessity to research on the employees’ perception, their engagement, their motivational factors and their satisfaction towards the society and organization.*

**Keywords:** Corporate Social Responsibility, Employees Perception, CSR Methods, Corporate value, Government legislation, HRM.

## INTRODUCTION:

Corporate Social Responsibility (CSR) is very vital for the overall growth and employee motivation of all the organizations. The companies must engage in promoting the social responsibility. According to Steiner, “Social Responsibility implies recognition and understanding of the aspirations of society and determination to contribute towards their achievements”. The responsibility of business, which includes satisfaction of those parties where the business comes in contact with various groups of society along with the owner, is called social responsibility of business. The organizations need to demonstrate a close and good relationship with society to get sustainable development and to survive in this competitive world.

## REVIEW OF LITERATURE:

**Aditya and Paithankar** (2015), has analyzed the effects of Corporate Social Responsibility (CSR) activities on employees satisfaction and commitment in their study. Their purpose was to find out the impact of CSR on motivation and commitment of an employee in the organization with sample size of 60 respondents from the employees working in IT and Hospitality sector of Allahabad and Pune in India. The results of this study concludes by stating that CSR is very vital for the overall growth and employee motivation of all the organizations and companies must engage in CSR activities if they want to satisfy their employees and keep them motivated towards organizational commitment. They have recommended that: the organizations should innovate the CSR activities conducted; the activities should be simultaneously conducted across the organization irrespective of its branches, regions wise which might leads to bonding of employees across departments and branches; regular training programs also needed for conducting CSR activities.

**Shraddha pandey et al**, (2012) has published their research paper which made an attempt in understanding about the concepts of Corporate Social Responsibility (CSR), finding out its scope and also to know how the TATA Group has fulfilled its responsibility towards all stakeholders, what specific activities, strategies and programs it has set, devised and implemented in promoting the society. The researchers has mentioned various CSR activities practiced by various business units of TATA Group in different areas and concludes with the statement of the founder that they are fulfilling its duty and responsibility towards the society and the nation. The researchers also found that social involvement of business would enhance a harmonious and healthy relationship between the society and business seeking mutual benefit for the both. Their recommendations includes: in the effective implementation of CSR the concept of Private-Public Partnership(PPP) should be applied; the human resource department should be assigned with the responsibility of measuring and evaluating in CSR activities; innovation should be concerned in formulating CSR strategy or in implementation.

**Deepika and Mittal** (2014) has published the paper which attempts to analyze the Corporate Social Responsibility (CSR) practices in Indian Banking Sector. They referred CSR as strategies that organizations engage to conduct their business in a way which is ethical, environment friendly and beneficial to society by development. The researchers mentioned main areas of CSR activities in public and private sector banks, with recent initiatives by Indian Banks such as State Bank of India, Small Industries Development Bank of India, Axis Bank Foundation (ABF) and more. They concluded that Indian Banking sector and financial institutions should expose their behavior in a socially responsible manner through integrating Triple Bottom Line principle. They suggested that banks should provide appropriate training to its employees in loaning environmental and social risks to assure that corporate banking decisions is also considered the climatic disasters.

**Dima Jamali et al**, (2010) examined the organizational governance through various organizations in Healthcare sector in the view of growth of nation along with Corporate Social Responsibility (CSR) and its applications and divergent views. They revealed that there are few differences among non-profit and profit hospitals due to its managerial structure, proprietorship, the board of directors and their varied

opinions for CSR. They found the cause behind the deficiency of virtuous governance is that the corporate are not actively performing the good corporate governance which is quiet recommended and not seriously highlighted or preferred in perspectives of growing countries.

**Chotaliya and Trivedi** (2014), has studied descriptively about the types, benefits and present issues of Corporate Social Responsibility (CSR) in India. The researchers stated that at present the only country which regulated the CSR is India. The authors concluded that due to enhancing eco-social problems affected by the corporates throughout the countries there is a rising swing in CSR activities and also to escape from the government interference.

**Delgado – Garcia et al**, (2007) examined the interrelationship between Corporate Social Performance (CSP) and Corporate Reputation (CR). They have pointed out about legitimation process – which links the CSP and CR as: “legitimation transforms CSP, an objective flow variable, into CR, a perceptual stock variable”, by stating CSP in social view which descriptive in nature and CR in economic view which perceptual in nature. The researchers suggested that to create the hope of future accomplishments of society, the company work towards genuinely by engaging in influentially perspective activities consistently.

**Fred Robins** (2005), while studying the future of Corporate Social Responsibility (CSR), the researcher embraces a wide view than Michael Porters’ “Corporate Philanthropy”. The researcher identifies an ample necessity for the inquiry is on the effects of ‘who pays for CSR initiatives’ and ‘who decides what they should be’ and also answered for both of these questions as firms itself. He also mentioned Mackens’ (2002) 4 key international framework as: (i) The United Nations Global Compact, (ii) Accountability 1000, (iii) Social Accountability 8000, (iv) The Global Reporting Initiative (GRI), - which are the measurements and indices of CSR. The author observed that the future of CSR will definitely be an inclination and what really requires is to identify the corporates’ self-desire for it.

**Jamali et al**, (2013) conducted a study which made an attempt to reveal the relationship between Emotional Intelligence and Corporate Social Responsibility (CSR) in Hospitals. They explored as an analytical and cross-sectional study by using Shrinks’ emotional intelligence scale and World Health Organizations’ social responsibility framework for its assessment. They found that there were not any statistical relationship between employees’ emotional intelligence and CSR practiced by studied hospitals.

**Madhu bala** (2015) has conducted a study in exploring the Corporate Social Responsibility (CSR) implementation methods in Indian Companies which proposed to examine if there are any similarities or contrast among those CSR implementation methods and to know the companies inclination in the selection of CSR methods. The researcher stated the guidelines of CSR implementation methods as per Company Bill Act 2013, and from those guidelines five methods were found. The researcher concluded the study with the results of those five choices of implementation methods with Private Indian Companies (PIC), Multinational Companies (MNC) and Public Sector Companies (PSC) and their choices are: 1<sup>st</sup> choice is through separate CSR project management method, 2<sup>nd</sup> choice is through partner NGOs, 3<sup>rd</sup> choice is through establishing trust/ foundation/ society, 4<sup>th</sup> choice is through collaborating with other companies, and 5<sup>th</sup> choice is through funding to government. 5<sup>th</sup> choice method is followed by other two companies except Public sector companies.

**Nobuyuki Tokoro** (2007) has explored the characteristics of interactions among stakeholders and Corporate Social Responsibility (CSR). The researcher has view the CSR, the relationship between corporates and societies as ‘value creation’. He explained with the examples of ‘Royal Dutch Company and Nike Company’, and case studies of ‘Sagawa express company’ at dialogue level and ‘NEC Company & Asaza fund organizations’ together at collaboration level. The researcher concluded with two issues that there is a requirement in change of viewpoints of both corporates and stakeholders that corporates to get understand themselves as a member of civil society and stakeholders to develop themselves qualitatively to force the corporates towards CSR.

**Paul and Nimmy** (2014), in their study about Corporate Social Responsibility (CSR) as a strategy for inclusive development made an attempt to understand CSR activities practiced by oil companies in India. They stated that CSR is only an active means in attaining Public Private Partnership (PPP) which only can support the countries in achieving their aspiring aim of wide-range sustainable improvement. They adopted case study method by analyzing three leading oil companies with their approaches are: Bharath Petroleum Corporation Ltd – ‘Inclusive approach’; Indian Oil Corporation – ‘Triple Bottom Line approach’; Hindustan Petroleum Corporation Ltd – ‘Participatory approach’. They suggested participatory approach as a means of action to obtain the growth objectives and a triple bottom line approach is needed to assure the companies engagement for the social environment.

**Salma Jahan** (2014) has reviewed the Corporate Social Responsibility as well as environmental sustainability activities with the case study of National Mineral Development Corporation Ltd (NMDC). This paper highlights the guidelines drawn in Companies Act 2013 and also Schedule VII which says the related activities which may include in CSR policies. The researcher concludes that the NMDC is performing a starring role for the society’s improvement with hygienic atmosphere and practicing within the framework of integrity and legal procedures. The author recommended the company to widen its scope of CSR activities for empowerment of women & promoting gender equality, project for girl child, old age homes and little more respectively.

**Suparn sharma et al**, (2009) has studied the key role of Human Resource Management in Corporate Social Responsibility (CSR), that to explore the engagement of HR professionals in undertaking it. They suggested that HR department to take a prominent role in boosting CSR activities at all levels with suitable examples such as British gas, Wipro, Infosys and Best buy. This paper says that combination of both CSR and HR activities will emphasize the desirable behavior which gives the way in creating long term success by improved profitability, employee morale, customer satisfaction, legal compliance and societal approval for its existence by without contributing any surplus cost.

**Vani and Murali krishna** (2015) has studied about Corporate Social Responsibility (CSR) practices of cement industry because they stated that the growth prospects of cement industry are linked to the growth of the economy in general and in particular to the real estate and construction sector, with various references. They made an attempt to study and compare the practices of CSR, carried out by the top ten cement companies of the India Cement Industry. This study was based on the secondary data taken from the reports of the companies (five years) from 2009-2010 to 2013-2014. The researchers selected many variables for their study such as community welfare, environment protection, infrastructure development, health and sanitation, education, disaster relief, women empowerment, contribution to sports, contribution to religious and spiritual programs and others. From the analysis, the researcher illustrates that the bigger players of the industry are contributing towards the CSR but there is lot of requirements from the remaining companies.

**Vikramjit kaur** (2012) has studied the topic Corporate Social Responsibility (CSR) in respect with the Indian Corporates, by choosing the exploratory research design to get more insight about it. This research paper highlights that how CSR has become the prerequisite for development of any corporates and tried to bring out CSR initiatives taken by various organizations in India with the examples of Wipro, TCS, ITC, ICICI, etc. The researcher concluded that ‘some organizations started the CSR as a strategy’, which aims at the development of both the corporate and society mutually and also suggested that corporates should understand that the government alone will not get success in its efforts in uplifting the demoralized poor society.

**Vishakha et al.** (2012) has studied the Corporate Social Responsibility (CSR) and Ethics in an Indian perspective. The authors has tried to give a thought to the present blazing concern that human beings today are ignoring their social responsibilities and are becoming self-centered by exploiting their natural resources. They investigated some of the factors why is it happening to the mankind, why they have turned so inhumane that social responsibility, ethics are becoming the discussion topics. They defined 'CSR as: corporate at its social front', by mentioning various sources of ethics, difference between business ethics and social responsibility with examples of McDonald, V. P. Udyog ltd & Avon cycle ltd. They concluded with the slogan '**Samasta Jananaam Sukhino Bhavantu**'. The authors suggested that religious and spiritual understanding helps us to be ethical and greed, ego, pride, jealousy, hatred, selfish and all negativities should be thrown out of our lives to maintain a peaceful life for self and also for others.

**Yasmin and Nadaf** (2014) has explored their study about Corporate Social Responsibility (CSR) with major issues/ challenges faced by Indian companies and to suggest some measures for effective implementation of CSR activities. The authors suggested that to create awareness about CSR among the public, CSR should be made compulsory as a subject in higher studies, to develop partnerships among all stakeholders, CSR activities should be extend to small, medium and large corporate houses and also CSR programs can be undertaken in urban areas, to ensure 'public co-operation' in governments' policy documents, etc. They have concluded that companies need to be matured and understand that they must undertake socially conscious practices, which helps the companies in the long run with positive impact on society and its future by mentioning "Business is by the people, for the people and of the people".

## CONCLUSION

This paper gives a broad review on the topic CSR- Corporate Social Responsibility because CSR is very vital for the overall growth and employee motivation of all the organizations. In this the recent research article published in the area of CSR was discussed. In the effective implementation of CSR the concept of Private-Public Partnership (PPP) is essential. For the success of both social responsibility and organization effectively and efficiently the Human. For a beginner to do research in the area of CSR, definitely this paper is helpful to Identify the problem of research.

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