

THE ROLE OF EMPLOYEES IN EFFECTIVE IMPLEMENTATION OF CSR PROGRAMMES

1) RAVIKUMAR.R

Research Scholar – Reg. No. Ph.D-CB-JUL2013-0739 - Bharathiar University-Coimbatore

2) JAGADEESHA.KM

Research Supervisor – Bharathiar University – Coimbatore.

Abstract

All over the world, Corporate Social Responsibilities (CSR) stems from a commitment to the society in which a business operates. India is a pioneer in introduction of an act to make CSR a compulsory 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 of CSR in health sector, employees working in the health sector play predominant role in transforming the CSR practices to ultimate beneficiaries like targeted people and communities. The study has estimated the effectiveness by using primary data and contingency coefficient analysis. It has found from the analysis that the employees having training have better awareness and knowledge about CSR and activities of eligible companies under CSR programme. The association of employees in implementation of the programmes and their willingness to be part of the CSR programmes does not change. At the same time, trained employees are more capable of identifying potential customer for the programme and thereby the satisfaction level of trained employees is also high. Accordingly, awareness, knowledge and capabilities are the pre-requisites for effective implementation of CSR programme. Therefore, training is an impediment for effective implementation of CSR programmes. Hence, the employees in the healthcare sector can be utilized for the effective implementation of the programme by giving necessary training.

Keywords: CSR, Healthcare, Employees and Training

Introduction:

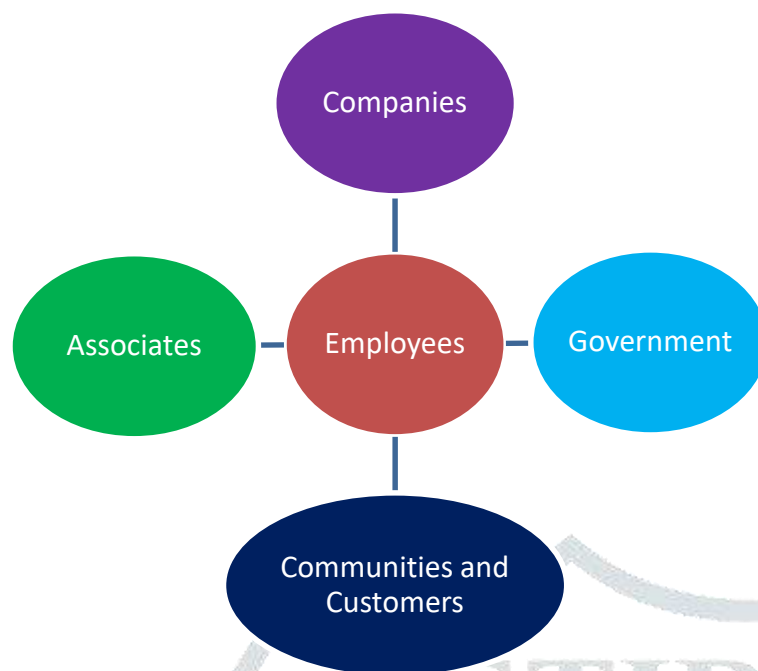
Society is the platform for all kinds of activities, performance and excel. Beneficiaries of societies have their responsibilities to the societies. Accordingly, all over the world, Corporate Social Responsibilities (CSR) stems from a commitment to the society in which a business operates (Rohini & Mahadevappa, 2010). Matter of fact, India has long history of ethical responsibility of companies to society in the form of charity (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 Ministry of Corporate Affairs, Government of India 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).

The companies having net profit of 5 crore rupees or 500 crore rupees of net worth or 1000 crore rupees of turnover per year have been identified as eligible companies for CSR. In India, out of 10475 eligible companies, 7334 have reported as of 31st January 2016. Out of these reporting companies only 3139 have done some expenditure on CSR. Out of total prescribed expenditure of 11883 crores by these 3139 companies, 8803 crores have actually been spent which is amounts for 74 percent.

The eligible companies are bound to be spent 2 percent of their net profit on the various issues like, eradication of hunger and poverty, promoting education, gender equality, women empowerment, health, environmental sustainability, skill development of employees working both in public and private sector and community development. In India, the eligible companies have largely chosen health, education and community development as their prime interest.

Though the eligible companies are the sponsoring agencies there are six main stake holders in CSR; customer, employees, NGOs, governments, communities and associates. In the health sector, under the provisions of CSR, companies give training to health sector employees, provide medicines, and create health awareness among the people and communities. In the practice of CSR in health sector, employees working in the health sector play predominant role in transforming the CSR practices to ultimate beneficiaries like targeted people and communities. The following flow chart explains the crucial importance of employees in CSR health programmes.



Providing health services is the responsibility of government and accordingly, it appoints people to provide healthcare services to people and communities particularly, in hospitals and health centers. Due to increasing population and increasing demand for health care services the government has been suffering from shortage of funds. The necessary funds will be sponsored by the companies under CSR. Associates do supplement the necessary tools and trainings for implementation of the specific programmes. Employees in the health sector are the real instrumental in implementing the programme as they directly participate in transforming the benefits. Communities and customers are the beneficiaries of the CSR programme. Therefore, employees are the central force in the CSR practices. Having said this in the present paper an attempt has been made to examine the role of employees in effective implementation of CSR programmes.

Review of Literature:

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 systematic and used analytical inductive method for arriving at appropriate arguments and conclusion. The study has used primary non-parametric nominal data collected from 120 sample respondents (Employees in Hospitals) working in government hospitals and primary health centers. The study area has been restricted to Bengaluru only due to the limitation in practice of CSR. The employees have grouped into two; trained under CSR and not trained under CSR (NGOs meant for training or NGOs of the eligible companies provide training to employees under CSR practice). The three point scale used for enumeration 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 contingency non-parametric 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 in implementation of healthcare programmes under CSR practices in Bengaluru. The effectiveness of the programmes has been evaluated based on the training given to the employees. The results of the study have presented in the following section.

Table 1: Awareness of employees about CSR

(In Numbers and Percentage)

Awareness		Employees		Total
		Trained	Not Trained	
Low	Count	5	9	14
	% within Employees	8.3%	15.0%	11.7%
Medium	Count	6	32	38
	% within Employees	10.0%	53.3%	31.7%
High	Count	49	19	68

	% within Employees	81.7%	31.7%	56.7%
Total	Count	60	60	120
	% within Employees	100.0%	100.0%	100.0%
Contingency Coefficient: 0.460		P-Value: 0.000		

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

Awareness of employees about CSR has estimated and presented in the above table. It has found from the study that the awareness level of trained employees is significantly high compared to untrained employees. Accordingly, training of employees will increase the level of awareness about CSR which helps in better implementation of CSR programmes.

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

Knowledge		Employees		Total
		Trained	Not Trained	
Low	Count	6	30	36
	% within Employees	10.0%	50.0%	30.0%
Medium	Count	13	17	30
	% within Employees	21.7%	28.3%	25.0%
High	Count	41	13	54
	% within Employees	68.3%	21.7%	45.0%
Total	Count	60	60	120
	% within Employees	100.0%	100.0%	100.0%
Contingency Coefficient: 0.453		P-Value: 0.000		

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

Knowledge about CSR activities of eligible companies has estimated and presented in the above table. It has found from the study that the knowledge level of trained employees is significantly high compared to untrained employees. Accordingly, training of employees will increase the level of knowledge about CSR activities of eligible companies which helps in better involvement of employees in implementation of CSR programmes.

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

Acquaintance		Employees		Total
		Trained	Not Trained	
Low	Count	5	9	14
	% within Employees	8.3%	15.0%	11.7%
Medium	Count	7	12	19
	% within Employees	11.7%	20.0%	15.8%
High	Count	48	39	87
	% within Employees	80.0%	65.0%	72.5%
Total	Count	60	60	120
	% within Employees	100.0%	100.0%	100.0%
Contingency Coefficient: 0.166		P-Value: 0.184		

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

Acquaintance with healthcare activities under CSR has estimated and presented in the above table. It has found from the study that the association of employees with the CSR activities does not significantly differing between trained and untrained employees. Accordingly, majority of the employees have been actively participated in the CSR activities.

Table 4: Capabilities in Identification of Potential Customer for CSR Practices**(In Numbers and Percentage)**

Capabilities		Employees		Total
		Trained	Not Trained	
Low	Count	6	32	38
	% within Employees	10.0%	53.3%	31.7%
Medium	Count	8	11	19
	% within Employees	13.3%	18.3%	15.8%
High	Count	46	17	63
	% within Employees	76.7%	28.3%	52.5%
Total	Count	60	60	120
	% within Employees	100.0%	100.0%	100.0%
Contingency Coefficient: 0.457		P-Value: 0.000		

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

Capabilities of employees in identification of potential customer under CSR programmes has estimated and presented in the above table. It has found from the study that the capability of trained employees in identification of potential customer is significantly high compared to untrained employees. Accordingly, training helps to identify the potential customers for the CSR programmes.

Table 5: Willingness to be part of CSR in Implementation of Health Programmes

(In Numbers and Percentage)

Willingness		Employees		Total
		Trained	Not Trained	
Low	Count	7	8	15
	% within Employees	11.7%	13.3%	12.5%
Medium	Count	6	10	16
	% within Employees	10.0%	16.7%	13.3%
High	Count	47	42	89
	% within Employees	78.3%	70.0%	74.2%
Total	Count	60	60	120
	% within Employees	100.0%	100.0%	100.0%
Contingency Coefficient: 0.105		P-Value: 0.510		

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

Willingness to participate in healthcare activities under CSR programme has estimated and presented in the above table. It has found from the study that the willingness of employees to be part of CSR activities does not significantly differing between trained and untrained employees. Accordingly, majority of the employees have been expressed their willingness to participate in the CSR activities.

Table 6: Level of Satisfaction in Participating under CSR Health Programmes

(In Numbers and Percentage)

Satisfaction		Employees		Total
		Trained	Not Trained	
Low	Count	5	43	48
	% within Employees	8.3%	71.7%	40.0%
Medium	Count	5	8	13

	% within Employees	8.3%	13.3%	10.8%
High	Count	50	9	59
	% within Employees	83.3%	15.0%	49.2%
Total	Count	60	60	120
	% within Employees	100.0%	100.0%	100.0%
Contingency Coefficient: 0.575		P-Value: 0.000		

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

Satisfaction of employees in participating under CSR programmes has estimated and presented in the above table. It has found from the study that the level of satisfaction of trained employees is significantly high compared to untrained employees. Accordingly, training is an essential component in making the CSR programmes a success one.

Conclusion:

The present study has analyzed the role of employees in effective implementation of CSR programmes. The analysis has made based on the training given and not given. It has found from the analysis that the employees having training have better awareness and knowledge about CSR and activities of eligible companies under CSR programme. The association of employees in implementation of the programmes and their willingness to be part of the CSR programmes does not change. At the same time, trained employees are more capable of identifying potential customer for the programme and thereby the satisfaction level of trained employees is also high. Accordingly, awareness, knowledge and capabilities are the pre-requisites for effective implementation of CSR programme. Therefore, training is an impediment for effective implementation of CSR programmes. Hence, the employees in the healthcare sector can be utilized for the effective implementation of the programme by giving necessary training.

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