



A STUDY ON EVALUATING THE IMPACT OF ICICI BANK'S CSR ACTIVITIES ON OVERALL SOCIETY DEVELOPMENT

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Abstract:

The advancement of society is essential for raising living standards, stimulating the economy, and promoting social peace. It promotes human potential, environmental sustainability, and equitable opportunity, all contributing to a thriving community. Along with improving lives, this overall development of society increases global competitiveness and builds a sustainable future for future generations. CSR initiatives have the power to advance society by fostering social equality, economic growth, environmental sustainability, and better lives via responsible business activities and relationships. The technique used in this study is the Wilcoxon one-sample signed rank test. The findings of the study indicated that Education enhancement, Healthcare support, Women empowerment, Rural development, Diversity and inclusion, public health campaigns, Poverty alleviation, Support for different abled, Promotion of local sports, Job creation, Infrastructure development and Access to clean water are high impact factors of ICICI BANK's CSR activities on the overall development of the society.

Keywords: *Wilcoxon one-sample signed rank test, CSR, ICICI Bank*

Introduction:

The continuous commercial operations of businesses impact the social and environmental resources to achieve the key goals of sustainability and profit-making for organizations. As a result of organizations' attempts to strike a balance between the demands of the economy, society, and environment, corporate social responsibility, or CSR, has become crucial (Schwartz & Carroll, 2003; Maon, 2009). Therefore, CSR may be characterized as an organization's actions that go above and beyond the constitution's requirements for the good of society (Garriga & Melé 2004). It highlights the ethical responsibility that organizations have to the environment and society. Bowen (1953) described CSR as "the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of our society's

goals and values." Drucker (1954) broadens the concept's scope to include "it has to consider whether the action is likely to promote the public good, to advance the basic beliefs of our society, to contribute to its stability, strength, and harmony". Carroll (1979) put it this way: "The social responsibility of the business encompasses economic, legal, ethical, and discretionary expectations that society has organisations at a given time". "Companies should only be obligated to maximise their profit within the boundaries of the law and minimal ethical constraints," stated Friedman (1970), providing an altogether different explanation of CSR. Several scholars have conceived CSR as a magic bullet that connects the world's social and environmental problems to the general public. Undoubtedly, CSR is an ethical duty; but companies are also subject to social and environmental pressures from the community. Considering that organisations are highlighting the notion of CSR and reacting to such pressure (Bénabou & Tirole, 2009).

CSR and ethics are becoming more and more popular in the business world. This is especially the case in the banking industry, where they are seen as important instruments for interacting with the community. Dhingra and Mittal (2014) observed irregular CSR disclosure in Indian financial institutions, with just a small number of banks adhering to suggested practices. Several banks showed a careless attitude towards socio-environmental concerns, emphasising haphazard projects above the integration of CSR with operational procedures. The Reserve Bank of India appropriately released the "moral suasion" policy for banks on CSR, considering their potential environmental responsibilities. With a focus on initiatives like "poverty eradication, health and medical care, rural area development, self-employment training and financial literacy training, infrastructure development, education, and environmental protection," among other things, the CSR in the Indian banking sector aims to provide financial services to the unbanked or underlapped areas of the nation and promote the nation's socioeconomic development. Under the heading of "corporate social responsibility, sustainable development, and non-financial reporting roles of banks," the Reserve Bank of India (RBI) released a notice on December 20, 2007, emphasising the role that banks play in CSR. The Reserve Bank of India emphasised the importance of CSR in 2011 and recommended that banks include social and environmental considerations into their commercial operations to promote sustainable growth. The RBI also announced the launch of Non-Financial Reporting (NFR), which would encompass all bank initiatives aimed at improving the social, economic, and environmental landscape. (Gourav, 2017).

This study, which evaluates the influence of ICICI Bank's CSR initiatives, is extremely important for comprehending the concrete consequences of CSR on the advancement of society. Analysing the individual projects and their results offers a useful perspective on how the efforts of a large financial institution support community development. Such study clarifies the efficacy of CSR programmes and provides other firms looking to integrate their commercial goals with social welfare with insightful lessons and benchmarks. Comprehending the immediate consequences of ICICI Bank's endeavours will aid in determining how corporate involvement might propel comprehensive social advancement, establishing a standard for conscientious corporate conduct in the financial industry.

Review of Literature:

1. **Ashok, Kumar, Patel. (2022).** The study investigated the relationship between CSR initiatives and financial performance using publicly accessible data on CSR activities carried out by significant Indian banks. The study's main goal was to find out how CSR activities affect a bank's reputation and goodwill, which in turn affects its overall performance and financial results. According to the research, an increasing amount of corporate social responsibility (CSR) activity is taking place in Indian banks, and these efforts are linked to both financial performance and a bank's goodwill and brand image. According to the study, these CSR efforts considerably increased the value that banks provided to society and produced observable financial gains. The results indicate that companies benefit monetarily from their philanthropic activities because they add more value to society. These observations indicate possible advantages other service-oriented companies would have if they adopted comparable corporate social responsibility initiatives.
2. **Pushpa, Suryavanshi. (2020).** This study aimed to evaluate and contrast the services provided by government sector banks and ICICI Bank, a well-known private sector bank. In order to illustrate the advantages of private banking institutions in India's financial environment, the goal was to evaluate how well ICICI Bank's services met the varied demands of its clients in comparison to those of government banks. The results showed that in comparison to government banks, ICICI Bank provided a wider range of services as a private sector organisation. The research emphasised the competitive edge that private banks has in offering a wider range of effective and efficient services, successfully meeting the changing demands of their clientele. This highlighted how important it is for private banks like ICICI to provide stable, customer-focused banking products in order to support a more competitive and customer-focused banking industry.
3. **Laxmi, Rani. (2020).** This study aimed to investigate the idea of "green banking" in relation to the environmental effects of the banking sector. The study specifically examined how green banking products are implemented in the banking industry, emphasizing assessing the green banking activities carried out by SBI and ICICI Banks in India. According to the study, SBI and ICICI Banks have effectively launched green banking programs. These programs aimed to lessen their enterprises' internal and external carbon footprints. Both banks showed that they were taking proactive steps to reduce the environmental effect of their banking operations by implementing green banking products and initiatives. This demonstrates their dedication to environmentally friendly operations and represents their part in supporting environmental preservation in India's banking industry.
4. **Mohammad, Saleh, et al. (2020).** The study aimed to draw attention to the Corporate Social Responsibility (CSR) disclosures that Indian banks made during the fiscal years 2014–15 and 2016–17. It was especially concerned with assessing the social projects that Indian banks supported, such as public health, sanitation, employment creation, basic education, and rural development. The study's findings provided several new perspectives on how Indian banks spent during the designated time on corporate social responsibility. Notably, the increase of the necessary CSR spending decreased by a compound rate of 7.70 percent. At the same time, there was a recorded 8.39% drop in real CSR spending. Nevertheless, throughout the course of the study, the aggregate amount spent on CSR by all sample banks grew by a compound growth rate of 22.60 percent. Furthermore, a noteworthy rise of 21.80 percent was seen in the compound growth of CSR expenditure across all sectors when analysing spending across different industries.
5. **V.P.Vignesh, et al. (2017).** This study aimed to examine the corporate social responsibility (CSR) initiatives of ICICI Bank, a leading private sector bank in India, over a five-year period. The study also sought to explore how the bank's CSR activities have evolved and highlight the various initiatives it has undertaken outside of its core banking services. The analysis results demonstrated a steady rise in ICICI

Bank's CSR engagement over the five-year period. The data presented various CSR endeavours, including "educational programs, healthcare initiatives, environmental sustainability projects, and community development initiatives." These results underscored the bank's growing dedication to societal welfare and its integration of CSR principles into its business strategies, surpassing mere philanthropic endeavors.

6. **Vinayak, Patil., et al. (2017).** This research examined several viewpoints on CSR initiatives and the effects they have on society critically. The objective was to investigate the developing pattern of companies integrating corporate social responsibility (CSR) tactics into their commercial operations. The research showed that there has been a noticeable increase in the adoption of CSR initiatives by businesses worldwide in recent years. Companies are using corporate social responsibility (CSR) more and more to encourage sustainability and accountability in response to demands from the public, investors, and customers. This tendency is further supported by government guidelines that support the incorporation of CSR frameworks into business vision, purpose, and strategic planning. In particular, the study highlights the potential benefits of broad corporate social responsibility (CSR) programs in the context of rural development. It also highlights the potential for responsible business practices to lead to societal advancement and improved business operations.
7. **Anita, & Ashok, (2016).** The research examined how financial organizations, especially banks, integrate social and environmental problems into their daily operations to understand better how they assist sustainable development. The primary objective of the research was to investigate the corporate social responsibility (CSR) practices of Indian banks and the extent to which these initiatives align with the triple bottom line of profit, planet, and people. The importance of financial institutions—banks in particular—using their CSR activities to support sustainable development was underlined in the study. It brought to light the deliberate integration of social and environmental factors into the decision-making processes of banks.
8. **K., S., Rangasamy. (2015).** This study aimed to examine how ICICI Bank has changed its participation in CSR beyond traditional banking services by analyzing its efforts over a five-year period. The principal aim was to comprehend the bank's growing participation in corporate social responsibility endeavors and the resulting effects on the well-being of society. Over the course of the five years, the study found that ICICI Bank's involvement in CSR projects was clearly on the rise. It featured various projects, including community development, worker welfare, and moral corporate conduct. These results highlighted the bank's proactive dedication to social welfare, proving that CSR is essential beyond traditional banking services.

Objective of the Study:

1. To analyze the impact of ICICI Bank's CSR activities on overall society development.
2. To give appropriate suggestions to refine their CSR strategies and focus more towards potential areas for improvement.

Hypothesis:

- H_0 : The impact of ICICI Bank's CSR activities on overall society development is insignificant (Median = 3)
 H_1 : The impact of ICICI Bank's CSR activities on overall society development is significant (Median \neq 3)

Research Methodology:

Data collection: Both Primary and secondary data

Sample size: 130 NGO representatives

Sampling Technique: Non-probability purposive sampling

Statistical Technique: Non-parametric One Sample Wilcoxon Sign Rank Test. (The Non-parametric One Sample Wilcoxon Sign Rank Test is a statistical method employed to assess if a sample's median significantly differs from a hypothesized population median.)

Statistical tool: SPSS 26



Table No: 1 Demographic Profile of the Respondents

Variables	Category	Frequency	Percentage
Gender	Male	70	54.00
	Female	60	46.00
Age	20 – 30 years	40	31.00
	31 – 40 years	50	38.00
	41 – 50 years	30	23.00
	50 years and above	10	8.00
Educational Background	HSC	10	8.00
	Graduate	60	46.00
	Post-Graduate	50	38.00
	PhD/Doctorate	10	8.00
Years of Experience in NGO Sector	Less than 2 years	20	15.00
	2-5 years	40	31.00
	6-10 years	40	31.00
	More than 10 years	30	23.00

Data was collected from 130 NGO representatives, out of which 70 (54%) were male and 60 (46%) were female. Of these, 40 respondents (31%) were between the ages of 20 and 30, and 50 (38%), were between the ages of 31 and 40. Regarding educational background, 60 people (46%), 50 (38%) and 10 (8%), respectively, received Bachelor's, Master's, and Doctorate degrees. Twenty respondents (15%) had less than two years' experience in the NGO sector, forty had two to five years' experience (31%), forty had six to ten years' experience (31%), and thirty had more than ten years' experience (23%). This wide range of demographic representation guarantees a thorough comprehension of the many viewpoints and experiences found in the NGO sector.

Data Analysis and Interpretation:**Table No: 2 One Sample Wilcoxon signed ranked test**

Impact of ICICI BANK's CSR activities on overall development of the society.	Observed Median	P – value
Education enhancement	4	0.000
Healthcare support	4	0.000
Women empowerment	4	0.000
Rural development	4	0.000
Diversity and inclusion	5	0.000
Public health campaigns	4	0.000
Poverty alleviation	5	0.001
Support for different abled	4	0.000
Promotion of local sports	5	0.000
Job creation	4	0.031
Infrastructure development	5	0.000
Access to clean water	5	0.000

Non-parametric one-sample Wilcoxon signed ranked test is applied to evaluate the impact of ICICI BANK's CSR activities on the overall development of the society. It is seen that $p\text{-value} < 0.05$, Education enhancement, Healthcare support, Women empowerment, Rural development, Diversity and inclusion, Public health campaigns, Poverty alleviation, Support for different abled, Promotion of local sports, Job creation, Infrastructure development and Access to clean water are high impact factors of ICICI BANK's CSR activities on overall development of the society.

Table No: 3 Summary of Hypothesis

Alternate Hypothesis	Result
Ha1: The median of Education enhancement not equals 3	Supported
Ha2: The median Healthcare support not equals 3	Supported
Ha3: The median of Women empowerment not equals 3	Supported
Ha4: The median of Rural development not equals 3	Supported
Ha5: The median of Diversity and inclusion not equals 3	Supported
Ha6: The median of Public health campaigns not equals 3	Supported
Ha7: The median of Poverty alleviation not equals 3	Supported
Ha8: The median of Support for different abled not equals 3	Supported
Ha9: The median of Promotion of local sports not equals 3	Supported
Ha10: The median of Job creation not equals 3	Supported
Ha11: The median of Infrastructure development not equals 3	Supported
Ha12: The median of Access to clean water not equals 3	Supported

Conclusion:

The evaluation of ICICI Bank's corporate social responsibility endeavours produced remarkable revelations about their influence on the advancement of society. Many aspects were identified as critical to the overall advancement; statistically significant effects were noted in the areas of public health campaigns, poverty alleviation, support for individuals with disabilities, women's empowerment, rural development, diversity and inclusion, education improvement, healthcare support, job creation, infrastructure development, and clean water access. These results highlight the important role that ICICI Bank's CSR initiatives play in promoting social growth by highlighting their considerable effect across a range of industries. The overall impact in all these different areas is a narrative of diversity, empowerment, and revolutionary change ingrained in the communities that ICICI Bank's CSR programmes influence. The results provides guidance for the future by highlighting the crucial role that responsible and strategic CSR plays in accelerating the advancement of society as a whole.

Suggestions:

- **Increase Attention to Selected High-Impact Areas:** Given the significant effects on women's empowerment, healthcare support, and education improvement, focusing resources and efforts on these areas might result in greater societal development results.
- **Work Together for Rural Development:** Given the significant influence on rural development, establishing alliances with regional authorities, non-governmental organisations, and local communities might increase the scope and intensity of influence in these areas.
- **Inclusive approaches to diversity and inclusion:** Expanding on the benefits of diversity and inclusion, more equal effects across various groups may be achieved by creating more inclusive policies and programs within corporate social responsibility (CSR) operations.
- **Sustainable Infrastructure Development:** Using corporate social responsibility (CSR) to support sustainable infrastructure development advances society and supports environmental sustainability objectives.
- **Empowerment Programmes for Economic Stability:** Increased attention to reducing poverty and creating jobs via skill-building courses and entrepreneurial endeavors may substantially contribute to society's long-term advancement.
- **Water and Sanitation activities:** Health outcomes and quality of life can be greatly enhanced by bolstering clean water access and sanitation activities in underprivileged communities.
- **Accessibility and Inclusivity for Differently Aabled:** The promotion of accessibility and inclusivity for persons with disabilities may be achieved by giving priority to programs that address their needs. This approach can help create a more equally distributed and inclusive society.
- **Education and Local Sports Promotion:** Increasing the scope of educational programs and local sports initiatives may support social integration, health, and talent development as well as overall community development.

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