

Popularity Of CSR and Its Impact On Employee Performance

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Abstract—

Purpose The relationship of company CSR and its impact on its image with individual employee Performance should be found out to know whether corporate image attractiveness and performance have a positive relationship.

Design/Methodology On a sample of 100 employees working in various organizations, a survey was done with published scales on corporate image attractiveness, stakeholder's identification and Performance. Correlations among the constructs were found out; to cross-check the reliability of the correlation, and hierarchical regression was made; in case of understanding the relationship between the number of corporate image attractiveness and performance, Chi-square based correspondence analysis was made.

Original contribution A study on understanding the relationship among the stakeholder's identification, corporate image attractiveness and Performance was not yet done in the Indian context. Further, no study was made to check whether corporate image attractiveness and performance is a good measure of CSR.

Findings There is relationship between Performance and corporate image attractiveness. There is no relationship between stakeholder's identification and corporate image;

Originality A fresh study was made with a survey on 100 employees whose equivalent is rarely seen in the extant research.

Practical Implications These findings are useful to organization in deciding on whether social networking should be encouraged or not as done in the other parts of the world. The findings don't encourage social networking in the Indian context.

Keywords— Corporate image attractiveness, Corporate Social Responsibility, Stakeholders Identification.

I. INTRODUCTION

It is the fact that there is no option except to accept the cause and consequences of the process of Liberalization, Privatization and Globalization (LPG). In view of this, rapid industrialization, technologies and urbanization took place and resulted development is confined to selected people and areas only. On the other side, it has widened the gap between the rich & poor and urban & rural and further to hazards and disasters by affecting the lives of the people as well as the environment. To compensate all these ill effects, there is a need to support the targeted or marginalized groups with effective training and rehabilitation supports matching to their skills, needs and vulnerability. In spite of the best efforts from the Government, Individuals, Funding Agencies and other Stakeholders, still there exists significant scarcity for the resources. Another challenge in this direction is the poor availability, accessibility and affordability (3As) of the resources with mismatched sustainability of the support or development. This led the stakeholders to search for an innovative and creative strategies and interventions aiming to

achieve the sustainable development of the people and environment with quality. At this stage, Corporate Social Responsibility (CSR) helps to fill the gap with better business.

II. CONCEPT OF CSR

The concept of Corporate Social Responsibility (CSR) is to understand the process of business in the companies to produce an overall positive impact among the employees as well as in the society / community. The definition of CSR "is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large" and other Looks "CSR is about business giving back to society". Now CSR has become mandatory for the companies to implement with sustainable strategies and interventions matching to the needs of the people and environment. CSR has seen as triple bottom line (TBL) reporting which is used as a frame works for measuring an organization performance against economic, social and environmental parameters. As reported in the literature, the rationale for CSR has been articulated in a number of ways. In essence, it is about building sustainable businesses, which need healthy economies, markets and communities. The key drivers for CSR are:

Enlightened self - interest - creating a synergy of ethics, a cohesive society and a sustainable global economy where markets, labor and communities are able to function well together.

Social investment - contributing to physical infrastructure and social capital is increasingly seen as a necessary part of doing business.

Transparency and trust - business has low ratings of trust in public perception. There is increasing expectation that companies will be more open, more accountable and be prepared to report publicly on their performance in social and environmental arenas.

Increased public expectations of business - globally companies are expected to do more than merely provide jobs and contribute to the economy through taxes and employment. CSR is well supported that without society, there won't be any business for any one. The broad view of the "Business in Society with CSR". In the process of CSR, the company needs to answer two aspects of their operations / activities as:

The quality of their management both in terms of people and processes / systems / strategies / initiatives which includes workplace, market place, community and environment. The nature both quality and quantity of their impact on society in various areas which includes customers, local communities, government, shareholders and service providers / NGOs.

In general, all the stakeholders are keen in knowing the activity of the company (the outer circle) mainly in terms of its products and services, impact on the environment & local communities and development of its workforce including family members covering several areas like: health, water & sanitation, education, disability, housing, income generation, employment, recreation and other needs and thus look forward for better living with sustainability and quality of life. It is the fact that contributing to and supporting CSR should be the integral part of the business as it fetches several benefits to the Industry as well to its employees including society and environment. Some such benefits include:

- Reduced Cost.
- Increased business.
- Feedback on products / services and future needs.
- Better risk / conflicts management.
- Better support for subsidies from Government and other sectors.
- Scope for mobilization of resources for strengthening of CSR initiatives.
- Recognition and awards.
- Better sustainability with quality

Job performance

Business Dictionary.Com, (2013) defines 'Performance' as "the accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed. In a contract, performance is deemed to be the fulfillment of an obligation, in a manner that releases the performer from all liabilities under the contract."

Campbell (1990, p. 704) defines individual work performance as "behaviors or actions of a staff member that are relevant to the goals of the organization." In simple terms, it is what the organization hires one to do, and do well. What is commonly accepted is that organizations need and value staff members who perform well, and these high performers are considered a valuable asset and a cutting edge for the organization (Yang, 2010; Aghdasi et al., 2011; Yucle and Bektas, 2012).

High performance of an individual employee is a pointer to the success of the human resources function, and the most important index that determines the success of an organization; it is obvious that all efforts of the organization are aimed at raising this. Further, such high performance gives the employee the job satisfaction, and multiple rewards too. Hence, performance is one metric which every party monitors, and whose ascent is a cause of joy for all and sundry.

The 6-item scale of Babin and Boles, 1998; Cronbach's alpha: 0.76) was used; the sample items are: (1) I am a top performer; (2) I get along with customers better than others.

III. RESEARCH METHODOLOGY

Sample Description

The sample consists of 100 individuals working in different capacities and in different organizations in Andhra Pradesh state of India in different sectors like public and private ones. The copies of the instrument containing the questions on (a) demographic aspects like gender, age, length of service, number of friends on Facebook, hours worked daily on an average and suchlike in the first part, and (b) research question-related items with 5-1 Likert scale in the second part were distributed to 100 working persons; the response rate is 48%.

The sample consists of 71% men and 29% women; age-based distribution of the same comprises 51% percent of persons in 20-30 years of age, 37% in 31-50 years, and 13% in 51-68 years of age. Income-based distribution of the sample consists of 30% of the persons in the monthly income of less than Rs.20,000 (Rs= Indian Rupees ; Rupees 54 = 1 US\$), 41% in Rs.20500-Rs.50,000, 15% in the bracket of Rs. 50,500-Rs.78,000, and 14% of persons who have 'not revealed income information'. When the length of service was the basis of grouping, 48% have put in less than 5 years of service, 31% in 6-20 years, 21 % in 21- 40 years of service, and 1% in 'information not given' category. The sample represents a true microcosm of working persons' community in the state.

Statistical Analysis and Findings

Inter-correlations were calculated (Table No.1) on SPSS for variables namely, stakeholders Identification and performance,

corporate image and performance ; (2) a significant correlation is found between corporate image and its impact on the employee performance.

To cross-check whether correlations are dependable, other tools are used.

IV. FINDINGS

The programs or activities of CSR benefited for the below poverty line (BPL) people and increased their standard of living. It helped them to start their own living. In a short span of time a significant change was noticeable when companies conducted CSR, either it might be health camp, skill development program or any other activity.

V. DISCUSSION

H1: Our hypothesis was that CSR is positively related to individual level outcomes; more specifically CSR and individual job performance correlate positively in the Indian context. The correlation analysis shows a clear positive relation between them; regression analysis too confirms it. The findings of the studies done elsewhere outside India are validated in this study too.

VI. LIMITATIONS

The questionnaire administrators are MBA students who may not have properly explained the meaning of each construct, and thus response errors may have found their way into the data while giving scores on each construct.

Further, the sample choice is convenience-driven but not randomized, and so sample representativeness may be slightly flawed.

VII. SCOPE FOR FURTHER RESEARCH

Similar studies have to be undertaken on pan-India samples. The perceptions of working people in Andhra Pradesh may not reflect those of the entire India.

Further, this self-funded study has included on CSR but not all other components like community based rehabilitation, sustainable development transparency and trust should use the full CSR scale.

StakeholderNew

The impact of CSR on other constructs like sustainability engagement etc. should be explored.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Modertaely attached	9	45.0	45.0	45.0
	Highly attached	11	55.0	55.0	100.0
	Total	20	100.0	100.0	

VIII. CONCLUSION

Society and Company are complementary to each other. CSR is important because businesses are based upon trust and their fair dealings with the society. All the companies rely upon the society for the resources required to run their businesses like human resources and also to sell their products and services, the companies are totally dependent upon the customers, who are in turn an important part of the society. Organizations, being a part of society, have moral duties to serve the society ad to contribute to their welfare. Lastly the main objective of corporate finance is to maximize shareholder value and to bring up the relation between identification and CSR.

DATA ANALYSIS

CorporateNew

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Least attractive	2	10.0	10.0	10.0
	medium attracted	16	80.0	80.0	90.0
	highly attracted	2	10.0	10.0	100.0
	Total	20	100.0	100.0	

PerformanceNew

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Medium satisfied	16	80.0	80.0	80.0
	Highly satisfied	4	20.0	20.0	100.0
	Total	20	100.0	100.0	

StakeholderNew * PerformanceNew Crosstabulation

			PerformanceNew		Total
			Medium satisfied	Highly satisfied	
StakeholderNew	Modertaely attached	Count	8	1	9
		% within StakeholderNew	88.9%	11.1%	100.0%
	Highly attached	Count	8	3	11
		% within StakeholderNew	72.7%	27.3%	100.0%
Total		Count	16	4	20
		% within StakeholderNew	80.0%	20.0%	100.0%

StakeholderNew * CorporateNew Crosstabulation

			CorporateNew			Total
			Least attractive	medium attracted	highly attracted	
StakeholderNew	Modertaely attached	Count	2	7	0	9
		% within StakeholderNew	22.2%	77.8%	.0%	100.0%
	Highly attached	Count	0	9	2	11
		% within StakeholderNew	.0%	81.8%	18.2%	100.0%
Total		Count	2	16	2	20
		% within StakeholderNew	10.0%	80.0%	10.0%	100.0%

CorporateNew * PerformanceNew Crosstabulation

			PerformanceNew		Total
			Medium satisfied	Highly satisfied	
CorporateNew	Least attractive	Count	2	0	2
		% within CorporateNew	100.0%	.0%	100.0%
	medium attracted	Count	13	3	16
		% within CorporateNew	81.3%	18.8%	100.0%
	highly attracted	Count	1	1	2
		% within CorporateNew	50.0%	50.0%	100.0%
Total		Count	16	4	20
		% within CorporateNew	80.0%	20.0%	100.0%

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QUESTIONNAIRE

Stakeholders company identification.

1. I think about this company often.
2. My Interactions with this company make me an important player in the organization.
3. I am loyal to the products the company makes.
4. I often talk favorably about this company and its products to my friends and colleagues.

5. I try to get my friends and family to buy this company's product.
6. I forgive this company when it makes mistakes.
7. I feel I have a right to tell this company what it should do.

Corporate image attractiveness

1. I like what this company stands for.
2. This company has an attractive identity.
3. My sense of who I matches my sense of company.
4. This company has a distinctive identity.
5. This company stands out from its competitors.
6. This company is a first-class, high-quality company.
7. I feel like I know very well what this company stands for.

Performance

In the last three years, in comparison with our most important competitors, I am satisfied with...

1. ...The achieved customer satisfaction of this company.
2. ... The value enhancement for its customers.
3. ... With the level of customers loyalty.
4. ... With the number of new customers.
5. ... With the growth of the company.
6. ... With the success of the products and services.

...With the forecast of operating results in the next couple