

IMPACT OF CSR INITIATIVES ON EMPLOYEE SATISFACTION (WITH SPECIAL REFERENCE TO GRAVITA INDIA LTD, JAIPUR)

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Abstract

A business organization is a huge set up with are that is responsible for various activities that are happening within and in the surroundings of it. A key part of the strategies that are framed for management of the business house is the corporate social responsibility. It is necessary for the organizations to work ethically and also keeping in mind about the wellbeing of the community and environment. The companies have become very cautious about the work environment and surroundings of the business. It is of the utmost importance for large business houses to take care of the environment that is helping it flourish. The strategies of CSR are an important part of any company and can help the companies in gaining competitive advantage if used effectively. CSR and its initiatives not only help the companies grow but also contribute in the wellness of the employees of the organizations and serve as a factor for welfare of employees. Therefore, this study has been conducted with an aim to understand the impact of CSR initiatives over employee satisfaction in a private firm in Jaipur. The study has its main focus on objectives like understanding the CSR initiatives that are being adopted in the organization and the level to which these factors serve the society as well as the employees of the company. The objectives of this study led to formation of a hypothesis. The data to test this hypothesis was gathered from 100 employees that are currently working in the organization and can help in gaining clear insights about the activities. The method of gathering data was a structured questionnaire that was divided into two parts to understand the explicit and the implicit CSR initiatives of the organization. The gathered data was then analyzed with the help of IBM SPSS v16 software that generated the frequency and percentage charts. The test of the hypothesis was done through descriptive analysis of the data. The results highlighted that CSR plays a critical role in the management strategies of the organization. The impact of CSR initiatives is not only restricted to the organizational level, but these initiatives also impact the satisfaction of the employee that are an important asset for the company. An efficient and effective use of CSR initiatives can help the organization in reducing the turnover rate and keeping a hold on quality employees for a long time in the company.

Keywords: CSR Initiatives, Managerial Strategies, Employee Satisfaction, Ethical Responsibility, Competitive Advantage.

Introduction

An initiative of management wherein the organizations combine economic, societal and environmental matters into their respective business productions as well as interacting with the stakeholders and other concerned parties are acknowledged as Corporate Sustainability or Corporate Social Responsibility. Corporate Social Responsibility i.e., CSR activities are aligned to an organization and its policies in such a manner that it enhances the society as well as the environment by contributing towards them in the most positive way possible. In return, this helps the businesses in augmenting their own brand name making CSR activities not only worthy to the general public but to

the companies as well. The most frequent CSR practices includes environmental sustainability like recycling and management of wastes, community involvement such as raising funds, doing charities, etc and ethical marketing which means keeping away from false advertises and avoiding exploitation of consumers. In addition with these, there is another significant factor associated with CSR which is the internal practice of social responsibility.

CSR initiatives in the organization are operated by two types namely:

- Implicit CSR
- Explicit CSR

Implicit CSR stands for the norms, values and the rules that are closely associated with issues which relate to the stakeholders of the company whereas, explicit CSR can be explained as those activities and practices that are associated with the social interests of the company. Explicit CSR activities are regarded as a voluntary responsibility by the corporations while implicit CSR activities are more of a duty which has to be fulfilled by the corporations which do not comprise of any distinctive authorship of the practices that is carried out. However, Implicit CSR also includes some social responsibilities to be abided by the organizations that are related to its own employees. Being an asset to an organization, it is necessary for them to value their respective employees so as to provide them with a sense of contentment with their work and life. It is important that employees should be treated as a significant part of an organization rather than treating them as a remunerated machinery. Overburdening and impractical job demand can result in negative consequences which apparently will affect the overall productivity of the company. Consequently, when the management treats their employees in a right manner, a sense of faithfulness among the employees is developed and they experience a personal connect with the organization.

Literature Review

Louche, Idowu and Filho (2017) analyzed that the firms that practice implicit CSR do it as they are entrenched in a scheme of formal as well as informal establishments that characterizes various concerns related to the society. In addition to this, those firms which are engaged into implicit CSR practices turn down every effort which is required to differentiate their deeds with other firms which sooner or later overlaps implicit CSR and convergent CSR. Furthermore, implicit CSR can produce divergent practices as there is always a room for certain specific adjustments in the firm. Therefore, it is important to analyze about how companies conceive their respective responsibilities towards the society and how effective is their process of decision-making with this respect along with observing how the courses of action are exchanged with the common public. Nevertheless, there still lays a scope to check whether a business is going to have an inimitable set of procedure and practices in order to line up not only with the society but with the competitors as well.

In the views of Louche and Hebb (2014) implicit CSR practices are those which are performed considering the norms and values that are connected to the stakeholders of the business. Whereas, explicit CSR activities involve formal and official rules along with the policies present inside the company. Even though explicit CSR is significant for the business, implicit CSR does the job by concentrating on both i.e., behavioral constituents as well as value measurement of the companies. Implicit CSR is an organization's qualitative measurement whereas, the aspects related to explicit CSR is quantitative in nature. Qualitative dimensions are believed as more skewed and are often observed as profound skepticism by the conventional financial analysts, where on the other hand,

quantitative metrics go on as an objective fact to the same forecasters.

According to Ruschak (2013) several organizations exploit their society-responsible behavior for advertising and promotion intentions along with catching focus of the public by means of deploring their CSR approaches in the media. On the other side, some organizations rather work in a quite manner by applying certain effective and efficient CSR policies for doing good for the society. The companies which carry out explicit CSR practices often do it for the sake of their image within the general public. On the contrary, when the organizations act upon the CSR activities with the utilization of the rules, norms as well as the values, it can be identified as implicit CSR practices.

In the views of Benn and Bolton (2010) one of the most essential drivers of employee engagement is CSR activities carried out by the organizations. In other words, the employees who observe CSR initiatives as a significant and constructive part of an organization feel more contented and are more likely to recommend the organization in whatsoever way possible. The most common ways through which organizations can do this is by carrying out cleanliness drives, volunteering hours, offering the employees certain skill-based programs, health-awareness marathons with the employees, etc. This promotes a culture of team-work and improves communication among the employees as all the employees of the organization gather as one at one place and interact that gives a feeling of personal connect and a sense of triumph. Therefore, it is a win-win situation for the companies as their brand value rises significantly along with having contented, enthusiastic and engaged employees.

Cook (2008) examined that the companies that invest in CSR activities are more likely to witness a raise in the satisfaction as well as engagement level of the employees with the firm. Currently, big firms are expected to execute much more when it comes to looking after their valuable asset i.e., their employees. Therefore, they have to align the CSR initiatives carried out by them along with the interests of their employees which make a linkage between CSR and employee engagement as a result, rising the performance level. This is because an engaged employee feels more involved with the organization along with feeling a connect and would not think twice to go an additional mile which sooner or later helps the organization in having high-potential employees. Consequently, it would be in the best interests for the organization to retain and value them. Thus, the organizations should always make certain that the CSR initiatives which they are taking, matches not only with the business domain and the community interests but also with the interests of its employees.

In the words of Crowther (2008) Corporate Social Responsibility i.e., CSR is quite a dominant term in businesses these days because organizations are making use of it more as an activity which will enhance the brand name and value eventually giving them a competitive advantage above other businesses. CSR usually acquaints that how society, economy as well as environment can be bonded simultaneously so that benefits can be served at every possible level associated with the term. However, it is significant for the organizations to identify in an accurate manner about the actions that in fact can be considered as their corporate social responsibility. Therefore, implementing CSR activities that benefits both the business and the society evenly along with treating the employees in a fair manner is quite essential for the organizations to be successful.

Methodology

- **Population Sampling**

The population with respect to this study was the employees working in Gravita India Ltd, which is situated in Jaipur, Rajasthan. The sample size for this study was 100. Hence, 100

responses were gathered not considering the total employees working in the organization. These employees were chosen randomly through convenience sampling and the responses were analyzed in order to originate results for this study.

- **Data Collection Sources**

The information for this study was gathered with the help of both primary and secondary data collection methods. These methods were reliable and secure. The primary data collection was completed with the help of a well-structured questionnaire and it was distributed amid several employees working in the organization. Out of the distributed questionnaires to various employees, 100 questionnaires were accurately filled. The secondary data collection sources for the study consists of several national as well as international journals, books, online articles and the facts which are accessible on the organization's website. Through the support of secondary data collected, a theoretical structure for this study was constructed which helped in establishing the silhouette of the study.

- **Research Instrument**

The key research mechanism of this study was a well formulated questionnaire which was developed on the basis of reviewing of the available literature. The formulated questionnaire was designed on the basis of both, the implicit and the explicit CSR strategies that the organization opts for in general. The questionnaire was created in such a format that the respondents just had to confirm the frequency of the events that were stated in the statement. This was simply based on a 5 point scale commonly known as the Likert scale which was ranged from foremost preference as always, followed by often, followed by sometimes, after that rarely and finally as never. Lastly, the answers which were collected from the employees were analyzed through the assistance of software commonly known as IBM SPSS v16 software.

- **Objectives and Hypothesis**

The following are the objectives of the study:

1. To study the CSR activities practiced by the Gravita India Ltd, Jaipur.
2. To examine the impact of CSR initiatives on employees' satisfaction.

On the basis of the above stated objectives of the study, the hypothesis of this study is as follows:

H₀: There is no significant impact of CSR initiatives on employee satisfaction.

- **Data Processing and Analysis**

The data which was collected with the help of distributed questionnaires was analyzed through SPSS v16 software. This software helped in generation of a variety of graphs, mean rank as well as percentage charts. The hypothesis that is formulated for the study was also tested on the basis of the descriptive analysis made on the data.

Analysis and Interpretation

The tables below represent the descriptive details with reference to the questions which were considered in the distributed questionnaires.

Table 1 : AGE of the Employees

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-20	5	5.0	5.0	5.0
	21-23	18	18.0	18.0	23.0
	24-26	25	25.0	25.0	48.0
	27-29	26	26.0	26.0	74.0
	30 & ABOVE	26	26.0	26.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

From the above table 1, it is concluded that most of the employees falls under the category of 27-29 and 30 and above age group while very few respondents fall under the category of 18-20.

Explicit CSR initiatives by the organization

The following tables depicts the responses of the employees for the activities that are included in the explicit CSR initiative by the organisation.

Table 2 : Company is Involved in CSR Initiatives Because it Cares about the Society

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	44	44.0	44.0	44.0
	OFTEN	47	47.0	47.0	91.0
	SOMETIMES	8	8.0	8.0	99.0
	RARELY	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

In relation to the above given table 2, it can be interpreted that maximum number of employees believe that the company is **often** involved in the CSR initiatives because it care about the society and well being of the community.

Table 3 : The Company is Benefitted by Undertaking CSR Initiatives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	35	35.0	35.0	35.0
	OFTEN	49	49.0	49.0	84.0
	SOMETIMES	16	16.0	16.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

It is clear from the above given table 3 that most of the employees working in the company feel that the company is often benefitted by undertaking CSR initiatives.

Table 4 : The Company Invests Great Deal of Time in Supporting Different CSR Activities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	20	20.0	20.0	20.0
	OFTEN	27	27.0	27.0	47.0
	SOMETIMES	53	53.0	53.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

The data from the other table 4 helps in indicating that the employees believe that the company only **sometimes** invests a great deal of time in supporting different CSR activities.

Table 5: The Company Invests Good Amount of Money for Supporting Different CSR Activities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	35	35.0	35.0	35.0
	OFTEN	40	40.0	40.0	75.0
	SOMETIMES	25	25.0	25.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

From the above given table 5 an inference can be made that the maximum number of employees working for the company feel that the company is often spending good sum of money so as to support different CSR activities.

Implicit CSR Initiatives by the Organization

The table 6 depicts the responses of the employees for the activities that are included in the implicit CSR initiative by the organisation.

Table 6: I Participate in the Company's CSR Initiatives Because it Motivates Me and Helps in Relieving Stress

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	23	23.0	23.0	23.0
	OFTEN	41	41.0	41.0	64.0
	SOMETIMES	36	36.0	36.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

It is clear from the above given table that 6 maximum number of employees have said that they often participate in the company's CSR initiative as it helps them in boosting their motivation level and also relieves their stress of work.

Table 7: The Company Provides me with a Healthy Work Environment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	43	43.0	43.0	43.0
	OFTEN	54	54.0	54.0	97.0
	SOMETIMES	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

The table 7 here depicts that most of the employees have responded by marking the fact that company **often** provides them with a healthy work environment.

Table 8: The Company Takes Care of my Health and Safety

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	57	57.0	57.0	57.0
	OFTEN	35	35.0	35.0	92.0
	SOMETIMES	8	8.0	8.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

An inference from the above given table 8 can be made that most of the employees have said that the company often takes care of their health and safety.

Table 9: The Company Helps me in Maintaining Proper Balance in Work and Personal Life

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ALWAYS	16	16.0	16.0	16.0
	OFTEN	28	28.0	28.0	44.0
	SOMETIMES	56	56.0	56.0	100.0
	Total	100	100.0	100.0	

Source: IBM SPSS v16 software

Through the figures in the above given table 9, it can be inferred that more than half of respondents from the population sample feel that the company only helps them sometimes in maintaining proper balance in work life and personal life.

Findings and Discussion

The analyses of the statements that relate to the CSR initiatives of the organization were studied through a use of percentage tables. The percentage tables were generated on the basis of the responses that were given by the respondents. The data was entered in SPSS software so that the

description of the frequencies could be produced. The descriptive analysis on the data helped in relating the factors of CSR with that of employee satisfaction. It was noted through this analysis that maximum number of employees had a firm belief that CSR activities in the organization not only help the companies in attaining the social good, but also contribute in the satisfaction level of the employees. Through the analysis of the respondents it was noted that the null hypothesis stands rejected. There is a significant impact of CSR initiatives of the company on employee satisfaction. The CSR initiatives carried out by the company directly correlate to the level of satisfaction of the employees. Therefore, better the CSR initiatives, higher will be the level of employee satisfaction in the firm.

The corporate social responsibility of the organizations is considered as a mandatory option. The organizations should pay back to the community and the environment as both contribute to the success of organization to a great extent. There exists the social responsibility of organization towards its employees as well because they serve the organization so that it can grow and achieve profits. The employees that are working for the organization are also human beings and the company should contribute in their well being too. Therefore, the CSR initiatives are considered as a key practice that the organizations are adopting for benefitting the mankind, community and the environment.

Conclusion

An organization is defined as a business setup that is constructed with the aim of earning profit by selling goods and services to the people in the society. The base of the organization and its profit earning relies on various factors like the environment in which the business is being conducted, the community of people that are providing resources to the business, the stakeholders that are investing their amount so that the business can flourish and the employees that work hard and give their input in a way that the output which is generated yields profits. The profit earned by the organization is a mixed contribution of all the associated resources. Therefore, it becomes a social responsibility of the corporate houses to return a part of profit to the same. The strategies that the organizations adopt to return a part of profit back to the community are known as the initiatives of CSR of the companies.

There are two key factors that define the usage of CSR initiatives in the company, the implicit CSR factors and the explicit CSR factors. The voluntary activities that are conducted by the organization to contribute to the society is the practice of explicit CSR whereas if the company is taking some initiatives as an obligation or duty, it is implicit CSR. The CSR initiatives of the company directly link to the management of the human resource. The CSR initiatives influence the strategies of human resources management. Also, the strategies and policies formulated for management of human resources influence the CSR initiatives.

This study is a small scale research so as to understand the CSR initiatives that are being adopted in a private firm of Jaipur. The research aimed at understanding the impact that these CSR initiatives have over the employees working in the company. A healthy environment and a vision to serve the society along with securing the interest of the employees is the main CSR strategy that can help the company flourish. The CSR activities play a vital role so that the interest of employees remains intact and also creating a sense of satisfaction among the employees working in the company.

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