

Corporate Social Responsibility: Commitment towards Organizational Change

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Abstract: Corporate Social Responsibility (CSR) is a noble programs act as a powerful tool for survival and vital to build sustainable relationships with the community at large. CSR initiatives provide opportunities for active participation that involve social development which leads to a viable future. Both environment and people are at the core of corporate social responsibilities. CSR establish better practices within the firm that create wealth and improve society. CSR had shifted from philanthropy to project mode including aspects like planning, implementation strategy, monitoring and evaluation strategy; and assessing social and environmental impact. The study is an attempt to reveal the perception of CSR impacts who employed by Indian organizations namely Rourkela Steel Plant (RSP), Steel Authority of India Limited (SAIL) during operational efficiency development. CSR is a more sustainable approach which will lead to lasting comfort to society, creating a platform for true growth and prosperity. Integration of CSR into the employee image will certainly have a significant impact in motivating, developing and retaining them.

Keywords: culture, performance, strategy, sustaining, quality etc.

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I. Introduction

In the fast changing business scenario, business ethics and value based education is in the form of the foundation of a civilized society. In context to this, CSR is an overall contribution of business to sustainable development. So now companies are spending towards CSR activities as they owe towards society. In developing countries like India, an increasing number of companies are realizing their own social responsibility. In relate to this, CSR is a rapidly growing area of research and activity. CSR is not a new phenomenon as public sector enterprises have been doing welfare activities through community development activities. CSR is means of promoting corporation brand. In order to be sustainable, CSR must follow a win-win strategy rather than forcing companies to take up project that are not related to their business areas. CSR is the idea that reflects the social imperatives and the social consequences of business activities. CSR covers the responsibilities of corporations for the society in which they are based and operate.

CSR is the continuous commitment to behave ethically that contribute to economic development to improve the quality of life of the employee along with their family as well as the society in large context. CSR is considered as voluntary ethical behavior of a company towards shareholders and stakeholders including environmental protection, supplier relations and community involvement as core values. By providing a corporate strategy, CSR is increasingly maintaining success in business. RSP has its own priorities in social development. SAIL has in-house organizations dedicated to community initiatives. There are several projects in different areas such as health, education, women-children welfare, rural development, sports, arts and others. RSP were the pioneers in employee benefits that were mandated through legislation in India and elsewhere in the world. The eight-hour working day, free medical aid welfare departments, grievance cells, leave with pay, provident fund, accident compensation, training institutes, maternity benefits, bonus and gratuity were provided by the RSP.

CSR now appears as an integral part of any business and gather plenty of attention so as companies have to focus on CSR policies by creating awareness among their employees. Earlier days in India, CSR began in the form of traditional philanthropy but latter on it is a direct engagement of corporate in main stream development and concern for

- ✓ Promotion of education
- ✓ Women empowerment and gender equality
- ✓ Ensuring environmental sustainability
- ✓ Promote socio-economic development
- ✓ Improving health issue

✓ Poverty eradication.

Stakeholders are directly or indirectly influence by the company. But as environment changed, it is very difficult to sustain by using its resources. Here are some important responsibilities of companies towards important stakeholders such as:

1. Towards Employers
 - Increase goodwill of the company
 - Safeguard the capital of the shareholders
2. Towards Government
 - Safeguard the interest of the stakeholders.
 - Fulfill the norms to avoid legal risks from government
3. Towards Consumers
 - Avoid misleading advertisement
 - After sale services
 - Understand customer's needs and measures to satisfy these needs.
4. Towards employees
 - Proper training to the workers.
 - Efficient grievance handling system
 - Provision of labor welfare facilities.
5. Towards society
 - Development of backward areas
 - Assisting in overall development of the locality.
6. Towards environment
 - Energy conservation
 - Waste minimization
 - Efficient usage of resources
 - Measures pollution prevention
 - Focus on environment friendly product development.

In Indian context, CSR is an ambiguous and evolving concept. The motive of PSE's is profit making for national goodness. Earlier days, PSE's practical welfare activities through community development activities have now manifested into CSR activities. CSR agenda was led by PSE because of wide geographical presence, ability to make profits and past records showing earned profits spend on public welfare. In India, CSR had gained importance as companies are realizing the importance of investing in CSR for achieving benefits of increased revenue base, strategic branding, operational efficiency, creating shareholder value, better access to human and intellectual capital and lower business risk etc. For national development, PSE's have a well-planned, sustainable, outcome oriented CSR initiatives along with the provision of safe drinking water, provision of toilets, health and sanitation etc.

II. Literature Review

Some of the studies on the topic concerned are reviewed hereunder:

Fortham and Robinson (2018) have examined the meanings and values attached to CSR within the Australian resource sector. This study also identified some key social processes which help to explain how and why CSR meanings and approaches are adopted and delivered.

Also Mahmood et al. (2013), have explained the concept of corporate social responsibility and also examine the use of corporate social responsibility in organizational change management. They have observed that how CSR facilitate the implementation of change in organization along with the issues that an organization faces in the processes of managing change.

Even in the Indian context, Singh (2016), highlight the role of corporate social responsibility along with the major challenges faced by Indian firms and also suggest remedial measures for effective implementation of CSR initiatives.

Tripathi and Agarwal have focused the impact of CSR on the profitability and actual annual sales of selected Indian organizations. They also observed that social issues deserve moral consideration of their own and should lead managers to consider the social impacts of corporate activities in decision making.

Another leading researcher, Verma (2015), reported that social reforms driven by the community will bring people together, turn the attention of the masses to task that benefit society and rein force peace and harmony. Social responsibility should not be limited to large successful corporations, there should be greater participation from most small, medium, and large business.

Pattnaik and Nayak (2017), highlights the historical evolution of the concept, the drivers and principles of CSR, perceived benefits of CSR. Due to growing awareness of the stakeholders of their rights and business

obligations, a changing equation is taking place between the society and the corporations. Using the stakeholder prospective, they try to analyze the concept of CSR.

Need of the study

CSR is significant for developing countries like India where limited resources for meeting the ever growing aspirations and make the process of sustainable development more challenging. CSR interventions is mainly based on innovative approaches and commitment. Moreover, synergy of corporate action with the civil society and Government are making the CSR interventions more effective and facilitating the carrying on business in the society. Government should make it compulsory that every corporate should also submit their CSR reports along with their regular annual reports. Companies cannot achieve sustainability unless until taking serious efforts for the sustained redevelopment. CSR mainly focus on providing quality of life to the people in all areas. CSR focus on how to step ahead from triple bottom line that includes people, planet and profit. That means companies should take people together with them to reach to the ground level, seek ways for progress on the planet which is not only work for profit but also work for prosperity of the community. Corporate, NGOs and the Government will place India's social development on a faster track with effective partnerships. CSR is important within a globalizing world because CSR matching corporate operations with stakeholder values and demands at a time when both values and demands are constantly evolving. Therefore, CSR can be best described as a total approach to business.

CSR in practice for organizational change in the Indian Steel Industry

Over the years, CSR has gained an unprecedented momentum to fulfill their social obligations towards society. CSR activity mainly design to create an opportunities for integrating people with society. The scheme of general welfare that will encourage participation by the community towards their own development. In alignment to CSR policy, people at RSP close to the plant operations to address their concerns and help them benefit from the company's activities. Further, a sharper focus has been developed into various schemes that provide a structure and method under which support is extended to the community.

RSP recognized education as one of the key challenges faced by the nation. There are various schemes being organized by RSP to encourage the community to educate its next generation.

CSR initiatives undertaken by SAIL

1. Swachha Bharat Abhiyaan-Swachha Vidhyalaya Abhiyaan has been conducted across the organization and in peripheral areas.
2. Model Steel Villages programme bridge the gap between rural and urban areas that facilitate comprehensive development of both physical and social infrastructure.
3. RSP and other units of SAIL actively involved in the process of SARANDA forest development.
4. Promote renewal sources of energy and focus on environment conservation.
5. Regularly organizing sports, arts and culture and heritage conservation
6. Provide extensive and specialized healthcare centers for people living in the vicinity of its plants and units.
7. Regularly maintained community centers, sports facilities and livelihood generation etc.
8. In relate to education, supporting schools in the steel townships to provide modern education to and is assisting Government schools in Rourkela by providing Mid-day meals in association with Akshya Patra foundation.
9. Promote women empowerment and focusing on sustainable income generation.
10. Conservation and maintenance of National heritage sites.
11. Actively involved in disaster relief programme.

RSP provides initiatives to enhance its own practices; premises and people follow environment –friendly and socially viable guidelines as well as enhance its premises with green technologies and an eco-friendly approach.

Objectives of the Study

- ✓ To study about the CSR program in practice in an organization namely Rourkela Steel Plant, SAIL.
- ✓ To measure the attitude of employees towards CSR programme in practice at RSP, SAIL along with their validity.

III. Methodology

Data Source and Method of Collection

In this present study, a own developed ' Attitude Scale' in the form of both negative and positive statements used as the tool for primary data collection. And from records, circulars, leaflets, magazines and journal of Rourkela Steel Plant, Secondary data were collected.

Sample size and Sampling

A total of 80 respondents from the sample unit i.e. Rourkela Steel Plant (RSP) of the Steel Authority of India Limited (SAIL) from different grade along with different department have been included in the study.

Tools and Techniques Used

The important statistical tools and techniques used in the study are calculation of t-test, correlation, reliability etc.

IV. Results and Discussion

In relate to the above said objectives, the following hypothesis as enlisted for analysis and calculating of their validity:

Hypothesis 1: There would be no significant difference in the attitude of employees towards CSR practices.

Hypothesis 2: Test the reliability of the statements used in the attitude scale.

In this present study a own developed attitude scale has been designed in which 20 statements included that has been put to test to know if there is any significant variation in the attitude of employees towards CSR programme being practice in RSP. To examine the same a null hypothesis was formulated that “ there would be no significant difference in the attitude of employees towards CSR programme in practices”. In this study, the scale consisting of 20 statements were distributed among the respondents and collected back upon filled up by the respondents. An attitude scale with 20 statements describing the attitude of employees towards corporate social responsibility programme.

Table-1:Significant difference in the attitude of employees in relation to CSR programme in practices

Items/parameters of CSR practices	Values of CSR practices	t-test	df	Level of significance
CSR program is a consistent process that improves the confidence among the employees.	2.8	Variance= 0.6836 t=13.927	Df=19 Tabulated value=1.740 at 5% level	Not significant at 0.05
CSR program is a worthwhile contribution to the organization	2.5			
CSR programme are helpful in building a positive work culture.	2.4			
CSR is a corporation’s initiatives to assess and take responsibility for the company’s effects on environmental and social wellbeing.	2.3			
CSR is a process for companies to integrate social, governance, environmental sustainability into operations and corporate strategy.	3.1			
CSR is a practice of organization in making money in an ethical way for the community, environment, shareholders, employees and other stakeholders as an overall impression.	3.2			
CSR is a constant participator in social welfare programs.	1.8			
CSR fosters a healthy and nurturing working climate.	1.7			
CSR takes measure, to reduce the organization’s negative impacts on the environment.	1.6			
CSR follows ethical and sustainable policies.	1.5			
CSR maintains good relationship with customers and the community	1.3			
CSR is a commitment towards organization change as it is a socially and environmentally responsible one.	1.4			
CSR does not provide an immediate financial benefit to the company but promote positive social and environmental change.	2.8			
CSR is the procedure of assessing an organization’s impact on society and evaluating their responsibilities.	1.5			
CSR promoting sustainable community involvement and development	2.1			
CSR activities are designed in such a way as to create goodwill and improve corporate image.	2.8			
CSR is the idea that reflects the social imperatives and the social consequences of business activities.	3.2			
CSR is a concept whereby companies integrate social and environmental concerns into business operations and interaction with stakeholders on a voluntary basis.	1.5			
CSR is the process of social involvement, responsiveness, and accountability of companies apart from their core profit activities and beyond the requirements of the law.	1.8			
CSR enhancing corporate reputation, improving relations with suppliers and to strengthen the sense of employee.	1.4			

From above analysis we conclude that CSR leads to overall improvement in organizational culture which have a beneficial impact on performance of employees in all aspects. Because there is a significant difference in the attitude of employees towards CSR programmes in practices as the calculated value t is 13.927 which is greater than the tabulated value of 1.729 (df=19) at 5% level of significance. Thus, we can say CSR is a act of doing business which integrate social and environmental concerns into their business operations.

Companies show healthy balance sheets to get profits to practice responsible corporate citizenship through CSR by providing solutions to tackle social and environmental challenges.

Once CSR is institutionalized, it can be used as catalyst for inclusive growth and sustainable development.

Test of Reliability

After calculating their t-values further 20 statements were put to reliability test to judge the statements used in the attitude scale. Further, any constructed scale with correlation coefficient ≥ 0.85 is considered as most sound. In this study, the ‘split-half’ method has been used for testing the reliability which was split into two halves on the basis of odd number(1,3,5,...) and even number(such as 2,4,6,...) of statement. The scores of even and odd items were recorded separately in order to calculate the correlation coefficient(r).Finally, the Spearman Brown Prophecy formula was used to estimate the reliability (r) of the scale, where $r = 2r/1+r$.

The reliability (r) of the present attitude scale has been found to be 0.85 which is nearly equal to 0.85. Now, the constructed scale may be considered as highly reliable. Table-2 contains details of the calculation of reliability(r).

Table-2: Statement showing Calculation of Reliability (r)

Odd(x)	X	Square X	Even(y)	Y	Square Y	XY	Result
100	8.7	75.69	101	9	81	78.3	<p>Correlation(r) $=330/\sqrt{392.1*506}=$ 0.74 and reliability (r) $=2r/1+r=$ $2*0.74/(1+0.74)$ =0.85</p>
121	-12.3	151.29	120	-10	100	123	
109	-0.3	0.09	107	3	9	-0.9	
113	-4.3	18.49	110	0	0	0	
104	4.7	22.09	103	7	49	32.9	
107	1.7	2.89	109	1	1	1.7	
106	2.7	7.29	121	-11	121	-29.7	
101	7.7	59.29	100	10	100	77	
116	-7.3	53.29	116	-6	36	43.8	
110	-1.3	1.69	113	-3	09	3.9	
1087/10=108.7		392.1	1100/10=110		506	330	

Thus , from above analysis we conclude that CSR establish better practices within the firm that create wealth and improve society. CSR believes in enriching quality of life of community and preserve ecological balance and heritage through a strong environment conscience.CSR is the present societal marketing concept of companies which is constantly evolving into a new concept era.

V. Findings

CSR is a sustainable outcomes by committing to good business practices.The present study find out that CSR establish better practices within the firm to create wealth and improve society. Thus, it can be concluded that at RSP, CSR is the way in which firms integrate social, environmental and economic concerns in to their values, culture, decision making, strategy and operations in a transparent and accountable manner. Therefore, the organization needs to continue with the current CSR programme in practices. The study also provide guidance for developing a working definition of CSR within the given context, to identify the key integral requirements for CSR incorporating different prospective and interests.

VI. Suggestions and Conclusion

Initially, the attitudes of management towards social responsibility is mainly focus on profit maximization and quality of life management but now it is important for management to consider the impact of energy business policy and action upon society. Moreover, focus is on quality of product and customer service.CSR is a much more holistic approach to business which is mainly designed to enhance corporate success.

The present study finds out the perception of CSR is one of the important aspects that impacts commitment to the task. That means CSR improves employees perception of their company. Education is at the epicenter of human progress.RSP has empower the communities by lying the path on which the future generations will treat. So RSP needs to continue with the current CSR practices. Because RSP prefer to compliment and supplement the ongoing efforts of various institutions by bringing in additional value through

specific interventions. RSP is driven by the spirit of runs through the employees and stakeholders.RSP would like this spirit of cascade to all the people that touch its operations. They provide necessary skills and enabling employees to make a new beginning.

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