



A STUDY ON CORPORATE SOCIAL RESPONSIBILITY ON ENHANCING THE ORGANIZATIONAL PERFORMANCE OF THE EMPLOYEES

K.Prabakaran

Assistant Professor, Management wing, DDE, Annamalai University.

Abstract

In the current era of socially conscious atmosphere, the customers and even the employees make their dependence only on the companies that work with and give importance to corporate social responsibility. Corporate social responsibility is an emerging practice in business which comprises of sustainable growth of the business of the organization. CSR (corporate social responsibility) has an optimistic effect on the economic, environmental and social factors. Related to this context, the attempt is made to discover the influence of CSR on the organizational performance of the company. The research was carried on among the bank employees. The participants of the study were selected by employing simple random sampling and the data was collected with the help of a questionnaire. The information so gathered is analyzed using regression. The outcomes of the analysis show that It was also reported that CSR was seen to predict organizational performance..

Keywords: Corporate Social Responsibility, Organizational Performance.

Introduction

CSR (Corporate Social Responsibility) is a managerial concept where the organizations make an integration of the environmental and social issues within the operations of their business. The concept of CSR is a business model which is self-regulating which assists the organizations to be accountable to the society, that is, to its shareholders, to itself and also to the public. CSR is also termed as corporate citizenship and by practicing it, the organizations come to know the impact of their activities on the society within which it is operating. The concept of CSR is very broad. It has many forms based on the type of company which is practicing it. Through the programs of CSR, voluntary actions and philanthropy, the organizations can prove to be beneficial to the society apart from promoting their brand. CSR is important and beneficial for both the company and to the society as a whole. The activities of CSR further, the CSR activities makes the concern and the employees to be more connected and attached to the society in which they are operating.

On the other hand, the term organizational performance refers to the actual results and outcomes of an organization which is assessed against the expected outcomes (objectives or goals). Organizational performance is also a very wider concept which comprises of what the companies do and achieve. In the recent times, several organizations have tried to accomplish this organizational performance by employing the method of balanced score card in which the performance of the entity is identified and assessed by considering various elements like customer service, financial performance, social responsibility, worker stewardship, systems of performance measurement, organizational performance, organizational engineering and performance improvement.

Statement of Problem

The previous studies on CSR had not given solutions to many issues like:

- The correct meaning of CSR has not been provided.
- There is insufficient knowledge regarding the audit of CSR.
- There is a lack of standardized reporting on the concept of CSR.
- Lack of proper implementation of the concept in companies.

On the whole, there is a lack of sufficient and relevant information regarding the effect of CSR on the organizational performance of the companies.

In order to offer a little extent of solution to the aforesaid problems, the current study has been undertaken.

Objectives

The purpose of this research paper is to determine the role played by CSR (corporate social responsibility) in enhancing the organizational performance of a company.

Review of Literature

Mehralian et al., (2016) had reviewed the impacts of CSR on the organizational performance. The research was carried on among the pharmaceutical industry of Iran. The research had been performed with the mediation of TQM (total quality management). The purpose of this paper was to examine the way through which the relation between CSR and TQM influenced the organizational performance as assessed with the help of a balanced score card. Questionnaire was the data collection tool employed in the study and the sample size was 933. Analysis of the collected data was done by employing SEM (structural equation modeling). Findings showed that CSR and TQM were related and linked with each other. In turn this TQM had an optimistic effect on the organizational performance. Findings also showed that there is no direct relation between CSR and organizational performance, but TQM mediated the relation between the two variables.

Emily.Mokeira Okwemba et al., (2014); had examined the impact of CSR on the organizational performance. The study was conducted among the banking sector of Kakamega County in Kenya. The authors have conducted this study among cooperative and equity banks alone. The banks so selected had around 10,000 customers from among whom, the author had selected the sample population for the study



as 50. The respondents for the study were selected randomly to whom a questionnaire was given to collect the data for the study. The information so gathered was analyzed with the help of the coefficient of Cronbach's Alpha to test the reliability. on the basis of the study, the findings showed that the bank's philanthropic duty had an impact over the performance of the bank. It was also found that the performance of the bank was also influenced by the intervening variables of priority and government policy.

Gbam Barnabas (2017); had analyzed the impacts of CSR on the organizational performance. The study was carried on among the telecommunication industry of Nigeria. The research design adopted for the study was a survey. Both types of data (primary & secondary) were collected from the common public and also from other forms of data resources. The analytical tests were done using chi-square. Outcomes of the analysis exhibited a strong relation between corporate social responsibility and the social development.

Research Methodology

The research was carried on among the bank employees. The participants of the study were selected by employing simple random sampling and the data was collected with the help of a questionnaire. The information so gathered is analyzed using regression. Sample size was 108.

Analysis and interpretation

Influence Of Organizational Trust On Work Performance

R	R Square	Adjusted R Square	F	Sig.
.959(a)	.920	.912	124.825	.000(a)

a Predictor: (Constant), CSR

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.334	.121		2.763	.007
Ethical motivation of top management	.186	.041	.378	4.519	.000
Promote corporate image	-.098	.058	-.198	-1.697	.093
Increase of the efficiency	.059	.025	.133	2.317	.023
Greater employee satisfaction	.122	.023	.272	5.334	.000
Commercial advantages to new markets	.285	.053	.332	5.428	.000
Benefit in relationship with institution finance and community	-.133	.044	-.223	-2.997	.003
Public incentives	.409	.068	.555	6.002	.000
Environment protection	-.054	.036	-.100	-1.507	.135
Relationship with the community	.135	.042	.230	3.229	.002

A Dependent Variable: organizational performance

In this study focus was made on the nine predictors of the study. Findings show that every statement of CSR factors was significant. The above table revealed a positive coefficient, which means that among all statements of CSR, all statements were seen to have an influence on the organizational performance of employees. The coefficient value, R², was found to be 0.920 through multiple regression, which shows that 92 % of the independent variables had an influence on the organizational performance of the employees.

Conclusion

In order to examine whether the value of coefficient (R²) is significant or not, ANOVA was executed. The F value so got was 124.825 which means p<0.000. This finding shows that there was a significant relation between the dependent and the independent variable. It was also reported that CSR was seen to predict organizational performance. The main point to be remembered is that the concept of CSR is an emerging term and yet no standardized definition had been given for the term. In common, corporate social responsibility refers to the method by which the organizations bring together the issues related to society, environment and economy into their organizational culture, values strategy, decision making and even in their operations. The practice of CSR is done in a transparent manner and subsequently establishes goodwill for the firm by creating wealth and improvements in the society. The most significant element of CSR is that the way in which it facilitates the sustainable development of the organization.



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