



PERCEPTION OF IT PROFESSIONALS WITH RESPECT TO CORPORATE SOCIAL RESPONSIBILITY INITIATIVES OF THEIR ORGANISATION

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Abstract

Corporate Social Responsibility has become a global concept through which organizations taking care of the interests of society by taking responsibility for the impact of their activities on shareholders, customers, employees, communities and the environment in all aspects of their operations. Corporate Social Responsibility becomes one of the most important global issues with serious challenges and implications on almost all sectors. This study is an attempt to explore perceptions of corporate social responsibility is associated with the demographic variables in the corporate scenario.

Keywords—Corporate Social Responsibility, Demographic Variables, Socio-Economic Variable.

Introduction

The new wave of soul seeking referred to corporate social responsibility has gained paramount importance both among practitioners and academicians due to the overwhelming magnitude of recent corporate outrages (Kashyap et al. 2004). With a distinct downward trend in the ethical behaviour of corporates it has become imperative now for a must for the authorities to intervene and make sure that every organisation conducts itself that the greater good and possible harm (Singh, 2010).

The corporate performance whether a success or failure is now being also judged by their stakeholders - shareholders, analysts, investors, consumers, regulators, activists, labor unions, employees, community organizations and news media. Thus, firms need to do better in non-fiscal domains such as human rights, environment, corporate contributions, community development, and workplace issues. Increased competitive pressures for firms over the last few decades have caused practitioners to examine the quality and magnitude of their Actions. Further, despite the growing involvement in corporate social responsibility (CSR), shadow of doubt remains as to whether such initiatives could potentially lead to firm's better performance and as a source of sustained competitive advantage (Dusuki and Dar, 2005).

Since, financial performance vestiges non-negotiable for the continued existence and growth of any corporation, various scholars and practitioners have insisted that all forms of CSR activities must be aligned with the core competencies of the firm. Thus firm can make more efficient and sustainable contributions to the society along with fulfilling its economic objectives (Bruch and Walter 2005; Porter and Kramer, 2002). In today's world with fierce competition, companies find it ever more difficult to handle the pressure of various external stakeholders without social investment (Margolis and Walsh, 2003). CSR initiatives can contribute to reputations advantages such as increased trust in investors, new market opportunities and positive reactions of capital markets (Fombrun et al. 2000). As the world is integrating, the stress for improved performance has proliferated the concern of firms for developing more novel ways of defining and understanding CSR.

Objectives of the Study

1. To study the association between perception with respect to Corporate Social Responsibility and the age of the IT organisation.
2. To study the association between perception with respect to Corporate Social Responsibility and the demographic variables of IT professionals.

Hypotheses

Ho1: There is no association between Corporate Social Responsibility and the age of the IT organisation.

Ho2: There is no association between with respect to Corporate Social Responsibility and the demographic variables of IT professionals (such as age, gender, marital status, education, income and experience).

Literature Review

The concept of corporate social responsibility (CSR) thus evolved — from philanthropy to a more elaborate concept that encompassed the environment, employee relations, corporate governance and engaging with the community. A responsible business is achieving commercial success in ways that honors ethical values and respect people, communities and the natural environment. These businesses minimize any negative environmental and social impacts and maximize the positive ones. The most cited definition of Public Relations is by Carroll (1979), “social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point of time”. It was a

theory that emphasizes that other than focus on making profits, business should also concern for society, communities, environment, employees and ethics.

Building on Carroll's work, Lantos (2001) classified CSR into three forms: ethical, altruistic, and strategic. Ethical CSR is the minimal, mandatory fulfillment of a corporation's economic, legal, and ethical responsibilities to its publics. Lantos argued that strategic CSR, where corporations participate only in those philanthropic actions that will financially benefit them by attracting positive publicity and goodwill, should be practiced over altruistic CSR, which constitutes making philanthropic contributions at the possible expense of stockholders. He stated that altruistic CSR is not legitimate. Despite their different orientations, these scholars have put forth a common notion that corporations do not operate in isolation from the society where they exist. This symbiotic relationship was summarized by Wood (1991): "Business and society are interwoven rather than distinct entities".

Thus firms are expected to also consider traditionally unrepresented stakeholders such as the environment and as well as future generations. Although many CSR authors have taken up the notion of a "triple bottom line" (Elkington, 1997) there remain important tensions between the CSR and the sustainable development debate (i.e. Dyllick & Hockerts, 2002). Nobel Prize winner for Economics in his famous quote "the social responsibility of business is to increase its profits" and argued that, "corporation's principal purpose is to maximize return to its shareholders, while obeying the laws of the countries within it works" (Golob and Barlett, 2007). CSR has been viewed as the continuing commitment by business to behave ethically and to contribute to economic development while improving the quality of life of the workforce and their families. Corporate Social Responsibility (CSR) has permeated management practice and theory up to a point where CSR can be referred to as the latest management fad (Guthey, Langer, & Morsing, 2006). However, so far CSR integration into business processes has been very uneven. Hockerts (2008), for example, finds that most firms conceptualize CSR primarily as a tool to reduce risks and operational cost. Only a minority of firms is actually using CSR as a means to drive innovation.

Some authors, notably Milton Friedman (1962), would strongly deny that a business has a fiduciary responsibility to any group but the firm's stockholders. To initiate corporate giving, for example, would be a fiduciary breach of management in Friedman's opinion: an agent for a principal is neither legally nor morally permitted to give away or "waste" the principal's capital.

The term corporate social responsibility is used more in the management literature than in the business ethics literature. A Walker Information survey (1997) revealed that 86% of the employees surveyed who felt their firm's ethics were positive, were strongly committed to their organizations, while only 14% of the respondents who did not regard the firm's ethics highly, were similarly committed. 42% of all surveyed indicated that a firm's ethical integrity would directly influence their choice of employer (Stodder, 1998).

Methodology

The research design has been empirical in nature. The study relies heavily on primary data which has been collected from employees of different sized IT organisations belonging to the lower and middle management level with the help of a structured measuring instrument. The sample size is 350 respondents and the sampling design is convenience sampling.

Analysis & Interpretation of Data

Table 1: Chi Square for the Association between Perception With Respect To Corporate Social Responsibility and Age of ITS Organisation

Age of IT organisation	Moderate		High		Combined		2 Value
	N	%	N	%	N	%	
Below 10	55	39.9	83	60.1	138	100	2.57 NS
10-19	44	44.0	56	56.0	100	100	
20-39	31	45.6	37	54.4	68	100	
Above 40	14	31.8	30	68.2	44	100	
Total	144	41.1	206	58.9	350	100	

Table 1 shows the association between perception with respect to Corporate Social Responsibility and age of IT organisations included for the study. From the table it is clearly observed that 68.2% of the respondents of the IT organisations have above 40 years of existence and belong to high level of Corporate Social Responsibility.

This result very interestingly shows that as the years of duration of establishment increases the Corporate Social Responsibility also increases. It indicates that well established companies especially companies which have above 40 years of existence shows higher degree of Corporate Social Responsibility than the others. These findings are in agreement with the results of the research conducted by Smith, Alcorn (1991) who found that organizations became structurally different with an increase in age of the organisation.

The results further show that there is no significant association between Corporate Social Responsibility and the age of the IT organisation ($\chi^2 = 2.57^{NS}, >0.05$). Therefore the null hypothesis is accepted and the alternative hypothesis is rejected. In other words there is no association between duration of establishment and Corporate Social Responsibility.

Table 2: Chi Square for the Association between Perception With Respect To Corporate Social Responsibility and Age of Respondents

Age of respondents	Moderate		High		Combined		2 Value
	N	%	N	%	N	%	
21-25	50	48.1	54	59.1	104	100	3.34 NS
26-30	53	36.5	92	63.5	145	100	
31-40	41	40.6	60	59.4	101	100	
Total	144	41.1	206	58.9	350	100	

Table 2 clearly reveals that 63.5% of the respondents from the age group of 26 to 30 years followed by 31 to 40 years (59.4%) and 21 to 25 years (51.9%) shows high degree of Corporate Social Responsibility.

However, the chi-square test result shows that there is no significant association between Corporate Social Responsibility and age of the respondent ($\chi^2 = 3.34^{NS}$) Therefore the null hypothesis is accepted and alternative hypothesis is rejected. In other words, there is no significant association between Corporate Social Responsibility and age of the respondents. This result shows that higher is the age higher is the Corporate Social Responsibility. This finding supports the study of James and William (1975).

Table 3: Chi Square for the Association between Perception With Respect To Corporate Social Responsibility and Gender of Respondents

Gender of respondents	Moderate		High		Combined		2 Value
	N	%	N	%	N	%	
Male	101	45.3	122	54.7	223	100	4.37*
Female	43	33.9	84	66.1	127	100	
Total	144	41.1	206	58.9	350	100	

The table clearly observes that 66.1% of the females against 54.7% of the males show high degree of Corporate Social Responsibility. The result interestingly shows that there is a significant association ($\chi^2 = 4.37^*, P < 0.05$) between Corporate Social Responsibility and gender of the respondents. This is in conformity with findings of James and William (1975).

Therefore the null hypothesis is rejected and alternative hypothesis is accepted. In other words the statistical test reveals that there is a significant association between Corporate Social Responsibility and gender of the respondents at $P < 0.05$. It indicates that female employees have more Corporate Social Responsibility than their male counterparts. As per the analysis of James and William (1975) when age, sex and salary level differences were examined by analysis only sex had a significant bearing on perception with respect to corporate social responsibility.

Table 4: Chi Square for the Association between Perception With Respect To Corporate Social Responsibility and Marital Status of Respondents

Marital status of respondents	Moderate		High		Combined		2 Value
	N	%	N	%	N	%	
Married	65	40.1	97	59.9	162	100	0.13 NS
Unmarried	79	42.0	109	58.0	188	100	
Total	144	41.1	206	58.9	350	100	

The table clearly observes that 59.9% of married people against unmarried (58%) with high degree of Corporate Social Responsibility. The results of Chi square test show that there is no significant association between Corporate

Social Responsibility and marital status ($\chi^2 = 0.13$)^{NS} of the respondents. Hence, the null hypothesis is accepted and alternative hypothesis is rejected. In other words, there is no association between marital status of respondents and Corporate Social Responsibility. The result indicates that married employees show high degree of Corporate Social Responsibility as against the unmarried employees.

Table 5: Chi Square for the Association between Perception With Respect To Corporate Social Responsibility and Educational Qualification of Respondents

Education level of respondents	Moderate		High		Combined		2 Value
	N	%	N	%	N	%	
Graduate	91	46.2	106	53.8	197	100	4.75*
Post graduate	53	32.6	100	65.4	153	100	
Total	144	41.1	206	58.9	350	100	

The table clearly observes that 65.4% of the respondents with post graduations show high degree of Corporate Social Responsibility as against degree holders (53.8%). The result shows that there is a significant association between Corporate Social Responsibility and educational back ground of the respondent ($\chi^2 = 4.75^*$, $P < .05$).

Therefore, the null hypothesis is rejected and alternative hypothesis is accepted. In other words, there is an association between educational level of respondents and Corporate Social Responsibility.

This result throws light on the fact that the people with high education have more inclination towards the Corporate Social Responsibility practice. The findings of this study are in line with the research findings of Mitchell and Agle (1997).

Table 6: Chi Square for the Association between Perception With Respect To Corporate Social Responsibility and Income of Respondents

Income of respondents	Moderate		High		Combined		2 Value
	N	%	N	%	N	%	
<Rs. 25,000	47	45.6	56	54.4	103	100	1.29 NS
Rs. 25,000 – 35,000	48	38.4	77	61.6	125	100	
> Rs. 35,000	49	40.2	73	59.8	122	100	
Total	144	41.1	206	58.9	350	100	

The table observes that the respondents (61.6%) have (Rs.25, 000/- to 35,000/-), of monthly income, followed by above Rs.35, 000/- (59.8%) and below Rs. 25,000/- (54.4%) of monthly income show high degree of Corporate Social Responsibility.

The result shows that there is no significant association between Corporate Social Responsibility and personal income of the respondents. ($\chi^2 = 1.29$)^{NS}. Therefore the null hypothesis is accepted and alternative hypothesis is rejected. In other words there is no association between Corporate Social Responsibility and personal income of the respondents.

The results indicate that the employees with average monthly income (Rs. 25000-35000) show high level of Corporate Social Responsibility than the other income groups.

The findings of James and William(1975) in examining the Corporate Social Responsibility income correlations, it seems that both high- and low-salaried employees show significant associations between the variables, while the correlation for the middle-income group is not significant. Finally ,to the extent that the employee earned a lower salary, a higher correspondence between Corporate Social Responsibility and income was in evidence.

Table 7 : Chi Square for the Association Between Perception With Respect To Corporate Social Responsibility and Experience of Respondents

Experience of respondents	Moderate		High		Combined		2 Value
	N	%	N	%	N	%	
< than 5 years	50	48.1	54	59.1	104	100	0.13 NS
5 – 10 years	53	36.5	92	63.5	145	100	
> than 10 years	41	40.6	60	59.4	101	100	
Total	144	41.1	206	58.9	350	100	

The table clearly observes that the respondents with varying level of experience he indicated a high degree of perception with respect to Corporate Social Responsibility. The result indicates that there is no significant association between Corporate Social Responsibility and the experience of the respondents ($F = 2.5$ NS). Therefore the null hypothesis is accepted and alternative hypothesis is rejected. In other words there is no association between Corporate Social Responsibility and experience of respondents. It indicates that as the number of years of experience increases the level of Corporate Social Responsibility also increases and vice versa.

Table 8 : Impact of Demographic Variables on Corporate Social Responsibility

Variables	Category	Sample (n)	CSR Response (%)		F/z value
			Mean	SD	
Size of IT Organisation	Small	50	83.84	10.4	F=14.84*
	Large	100	77.65	7.8	
	MNC	200	76.82	7.8	
Age of IT Organisation	< 10 yrs	138	78.75	9.4	F=0.84 NS
	10-19 yrs	100	77.65	7.8	
	20-39 yrs	68	76.92	7.2	
	>40 yrs	44	78.58	8.8	
Age of respondents	21-25 yrs	104	76.57	7.1	F=2.27 NS
	26-30 yrs	145	78.67	8.0	
	31-40 yrs	101	78.71	10.2	
Total Experience of respondents	<10 yrs	92	76.43	6.7	F=2.31 NS
	10-15 yrs	112	78.15	7.7	
	15-20 yrs	79	78.20	9.6	
	>20 yrs	67	79.98	10.3	
Experience in present organisation	<5 yrs	104	76.94	7.4	F=3.47 *
	5-10 yrs	145	79.40	8.8	
	>10 yrs	101	79.27	8.8	
Self-income/month of respondents	< Rs.25,000	103	76.83	7.1	F=2.09 NS
	Rs.25,000-35,000	125	78.37	9.3	
	Rs.35,000-50,000	75	79.84	9.0	
	>Rs.50,000	47	77.10	8.2	
Gender of respondents	Male	223	77.03	9.1	z=9.25 *
	Female	127	79.87	10.2	
Marital status of respondents	Married	162	79.00	9.3	z=1.91 NS
	Single	188	77.24	7.8	
Education qualification	Degree	197	77.75	8.2	z =0.78 NS
	Post Graduation	153	78.45	8.9	

The statistical test to find the impact of demographic variables on Corporate Social Responsibility indicates that the size of the organisation (F=14.84*), Experience in the present organization (F=3.47*), and Gender (z=9.25*) are found to be significant at P<0.05.

Therefore, the null hypotheses are rejected and alternative hypotheses are accepted. In other words, the demographic variables such as type of company, experience in the present organization, monthly family income and gender have significant impacts on Corporate Social Responsibility practices of Information Technology companies.

However, age of IT organisation (F=0.84), Age (F=2.27), total Experience (F=2.31), Monthly self-income (F=2.09), Marital status (z=1.91) and Educational background (z=0.78) are found to be non-significant at P>0.05.

Therefore, the null hypotheses are accepted and alternative hypothesis are rejected. In other words, there are no significant impacts of demographic variables such as duration of establishment, Age, total experience, monthly self-income, marital status and educational background on Corporate Social Responsibility practices

Implications of the Study

1. The Chi square result shows that the higher the age group of respondents higher is the Corporate Social Responsibility perceptions. This implies that age is an important independent variable that has to consider in all programs for enhancing CSR perceptions of the employees. The reason could be the serious thinking and concern of Corporate Social Responsibility could higher in older employees than the youngsters it is observed that a greater proportion of the respondent's belonged middle aged and above showed higher Corporate Social Responsibility perceptions. So the younger workers should be oriented towards ethical values and social obligations.
2. The demographic variables such as gender, marital status and education of the respondents have accounted for a

significant influence on Corporate Social Responsibility practices of the companies. It implies that extend of responsibility it assumes for these employees varies according to their gender, marital status and educational background. From the study female employees, married employees, post graduates were found to be more concerned about social responsibility. This could be because those employees with more knowledge and family responsibility especially female employees have more concern and empathetic approach towards social problems .Because their understanding ,experience ,knowledge and family role could have inspired them to have more social concern than the rest of the employees.

3. Employee experience is a crucial factor in all the variables such as corporate social responsibility, organizational culture and business ethics. The study reveals that as the number of years of experience increases the level of Corporate Social Responsibility, organizational culture and business ethics also increases and vice versa. This implies employees have more number of years of association with the organization have more understanding of organisational norms, policies and practices; this will lead to higher adaptation to the organizational culture practices. Grisly (1966) found that organizational culture and commitment increased with number of years spent in the organization. It is suggested that time invested becomes a valued resource in itself, while the privileges associated with the length of the service makes it easier to derive additional organizational rewards. This implies that organizational rewards have to be given in relation to length of the service to motivate and increase the commitment of the existing employees. While recruiting new employees induction programs should throw light on the responsibility to the society, organizational culture and ethical practices of the organization.

Conclusion

The purpose of this study is to find the association between corporate social responsibility and demographical variables of IT executives. The result shows that the higher the age group of respondents higher is the Corporate Social Responsibility perceptions and this study implies that understanding of the organizational norms ,policies and practices depend number of years of association between the organization and employee.

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