

Corporate Social Responsibility Practices towards Employees followed by Private Sector Banks in Tirunelveli District

K.Kumar¹, Dr.C.Muthulakshmi²

¹Ph.D. Research Scholar (Part Time), G.Venkataswamy Naidu College, Kovilpatti, Affiliated to Manonmaniam Sundaranar University, Tirunelveli

²Assistant Professor, PG and Research Department of Commerce, G.Venkataswamy Naidu College

Abstract - Social responsibility of business refers to a company ensures over and above the statutory requirement for the benefit of society. The word "responsibility" emphasises that the firm has some moral obligations towards the community. CSR, also known as Sustainable Responsible Business (SRB), or Corporate Social Performance, is corporate self-regulation integrated into a business model. The present study is analysing the corporate responsibility practices of private banks to their employees in the Tirunelveli district. The researcher selected twenty branches of ten private banks in the study area, distributed one hundred questionnaires to bank employees, and received 82 fully completed responses.

Index Terms - Corporate Social Responsibility Practices, Private Bank Employees, Tirunelveli District.

I.INTRODUCTION

The bank plays an imperative role in the development of the economy. It has a significant role in the financial life of any business or trade. Banks have been considered as the lifeblood for the growth of the economy. The banks are the lubricant for the wheels that keep the economy cycling smoothly by collecting savings and providing credit or finance to the needy. A healthy banking system always mobilises the small and widespread savings of society and deploys the same for investment and other productive purposes. Bank employees interact with clients daily by setting up checking and savings accounts, authorising loans, and moving money. They also counsel clients on banking products and services.

CSR has become a fundamental business practice in recent years and has gained much attention from executive management teams of larger international

companies. They understand that a strong CSR program is essential in achieving good business practices and effective leadership. Companies have determined that their economic, social and environmental landscape directly affects their relationships with stakeholders. In practice, the banking sectors are not outside the business world because they directly or indirectly connect to the government, non-government and business sectors.

II.REVIEW OF LITERATURE

Mobin Fatma and Zillur Rahman Imran Khan (2014) multi-item stakeholder-based scale to measure CSR in the banking industry. In recent years, academics and practitioners have been paying more attention to CSR activities due to their significant influence on stakeholders. CSR includes the companies' responsibilities towards shareholders, customers, employees, environment, and community. Despite numerous efforts to measure corporate social responsibility (CSR) consequences, how stakeholders perceive CSR activities remains unclear. This study aims at developing a measurement scale for corporate social responsibility activities in the Indian banking industry based on a stakeholder framework. A multistage method is applied to create a valid and reliable scale. Items for the scale were generated from a qualitative research and literature review. The reliability and validity of the scale were confirmed through a first and second-order confirmatory factor analysis. This study contributes to the literature by providing a valid and reliable scale to measure CSR and the successful implementation of the stakeholder theory in the banking industry

Nguyen and Minh Truong (2016) has done a study on the effect of culture on an enterprise's perception of corporate social responsibility - the case of Vietnam. The term "sustainable development" has been a catch-all phrase in recent years. Corporate Social Responsibility (CSR) has been seen as one of the media for sustainable development. In some countries, CSR has received much attention and achieved unquestionable successes. However, in many other countries, including Vietnam, the perception of CSR remains vague, and the adoption of CSR is limited. This study reviewed different approaches to CSR and gave a conceptual framework of how cultural values influence the CSR perception of an enterprise. Some analyses on culture and data collection in Vietnam's case are used as examples for the proposed framework.

III STATEMENT OF PROBLEM

This study attempts to know, compare, and assess the extent of and levels in CSR practices adopted in selected Private Sector Banks for their employees and bank employees' perception of CSR adoption practices. Nowadays, across the globe, the banking sector is under massive pressure from its shareholders, investors, media, NGOs, and its customer to carry out business responsibly and ethically. There is a shift from charity to responsibility. There is a shift from ethical models to liberal and stakeholders models suggested by Milton Friedman and Edward Freeman. While doing the literature review, minimal research is undertaken on CSR practices in the Indian Banking sector, especially in the Tirunelveli district. Hence researcher attempted to study CSR practices followed by the private sector banks for their employees.

IV OBJECTIVES OF THE STUDY

- To identify the critical CSR activities taken by private banks for their employees in the study area.
- To analyse the respondents' attitude towards the CSR activities of their banks.

V NULL AND ALTERNATIVE HYPOTHESES

HO: Profile Variables of the respondents do not influence their attitude towards their banks' CSR activities.

H1: Profile Variables of the respondents is influenced their attitude towards the CSR activities of their banks.

VI SCOPE OF THE STUDY

CSR is getting more important nowadays, not only in the industrial sector but in the banking sector also. The present study is based on primary data and assessed the status of CSR activities adopted by selected private sector banks in Tirunelveli district and how the employees of the banks are satisfied with CSR activities.

VII METHODOLOGY

This study is confined to the bank employees of the selected private banks in the Tirunelveli district. The researcher set twenty branches of ten private banks in the study area and distributed the questionnaires to ten staff members in every bank. The sampling details are given in the following table.

Table 1

S.No	Name of the Bank	Number of	
		Questionnaires distributed	Fully completed responses received
1.	ICICI Bank Limited	10	9
2.	HDFC Bank Ltd.	10	8
3.	IDBI Bank Ltd.	10	8
4.	Karur Vysya Bank Limited	10	7
5.	City Union Bank Limited	10	9
6.	South Indian Bank Limited	10	8
7.	Tamilnadu Mercantile Bank	10	7
8.	The Lakshmi Vilas Bank Limited	10	8
9.	Axis Bank Ltd.	10	9
10.	Federal Bank	10	9
Total		100	82

VIII ANALYSIS AND INTERPRETATION

Table 2: Demographic Profile of Respondents

Profile variables		No. of respondents	Percentage
Gender	Male	45	54.88
	Female	37	45.12
Age	Below30	19	23.17
	30-40	32	39.02
	40-50	20	24.39
	Above 50	11	13.41
Marital Status	Married	59	71.95
	Unmarried	23	28.05
Educational Qualification	Graduation	39	47.56
	Post-graduation	34	41.46
	Others	9	10.98
Designation	Manager	17	20.73
	Officer	19	23.17
	Clerks	35	42.68
	Other	11	13.41

(Source: Primary Data)

Table 2 reveals the demographic profile of the selected respondents. It is observed that 71.95 per cent of the respondents are male, 39.02 per cent are between 30 – 40 years, and 47.56 per cent are graduates. Moreover, 42.68 per cent are clerks, and 71.95 per cent are married.

Table 3: Ranking of CSR Activities

Particulars	5	4	3	2	1	Tot al	Rank
Promoting gender equality	29	21	17	11	4	306	III
	145	84	51	22	4		
Environment Sustainability	34	24	14	7	3	325	I
	170	96	42	14	3		
Health care and sanitation	27	19	18	12	6	295	V
	135	76	54	24	6		
Promoting education & Training in latest banking Technologies	19	27	16	11	9	282	VIII
	95	108	48	22	9		
	21	29	11	14	7	289	VI

Promotion of natural heritage, art and cultural	105	116	33	28	7		
Providing equal job opportunity and rotation policy to employees	32	21	16	9	4	314	II
	160	84	48	18	4		
Encouraging staff to report violation of principles and values	30	17	16	13	6	298	IV
	150	68	48	26	6		
Rural development project	24	19	15	16	8	281	IX
	120	76	45	32	8		
Staff safety and health	17	26	21	13	5	283	VII
	85	104	63	26	5		

Table 3 reveals the ranking of corporate responsibility activities executed by the private sector banks in the study area, first given to the movement "Environment Sustainability" with the score of 325, second rank for Providing equal job opportunity and rotation policy to employees and third rank for Promoting gender equality. Moreover, the fourth rank allotted to the activity "Promotion of natural heritage, art and cultural" and the last rank for "Rural development project".

Table 4

Tests of Between-Subjects Effects					
Dependent Variable: Respondents attitude towards CSR activities of their banks					
Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	418.448 ^a	14	315.603	311.161	.000
Intercept	948.114	1	918.114	9019.348	.000
Gender	17.434	1	17.434	17.189	.000*
Age	17.496	2	13.748	13.695	.005*
Education	14.163	2	7.081	6.982	.001*

Marital status	281.715	3	76.572	79.866	.000*
Designation	14.739	4	11.185	11.168	.004*
Error	725.208	15	1.014		
Total	5459.000	43			
Corrected Total	5143.656	42			

a. R Squared = .858 (Adjusted R Squared = .856)

*Significant at 5 per cent level

Table 4 discloses the association between the profile variable of respondents and their attitude towards CSR activities initiated by private banks in the study area. R Squared = .858 indicates a good correlation between the independent and dependent variables. Moreover, gender, age, education, marital status and occupation, the significance value is less than 0.05. Hence it is concluded that the independent variables (profile of respondents) influence the respondents' attitude towards CSR activities initiated by private banks in the study area.

IX FINDINGS

- The researcher found that 54.88 per cent of the respondents are male and the remaining female.
- 39.02 per cent of the respondents belonged to the age group of 30 – 40 years.
- 71.95 per cent of the respondents are married.
- 47.56 per cent of the respondents are graduates.
- The researcher found that 42.68 per cent of the respondents are clerks.
- Environment Sustainability is the very CSR activity initiated by private banks.
- Profile variable of the respondents influences their attitude towards the CSR activities initiated by the private banks in the study area.

X SUGGESTIONS

- The private banks give more importance to Rural development projects.
- They should give preference to Staff safety and health.
- Promoting education & Training in the latest banking Technologies

- Promotion of natural heritage, art and culture.
- They are encouraging staff to report violations of principles and values.

XI CONCLUSION

The banks are considered an essential service in providing organisation in our country, which facilitates enormous people in society to develop them. The employees are the valuable asset of the bank. The current situation has to improve their performance on the socially responsible activities of selected banks in the study area. In this regard, it is insisted that all the banks have to take some voluntary initiation to fulfil social responsibility activities of selected in the study area based on the need and expectations of the employees.

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