

A Study on CSR Practices towards Private Banking Sector

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Abstract—CSR, which first appeared in 1960, was an attempt to connect business and society. Corporate social responsibility (CSR) refers to tactics that corporations or businesses use to conduct business in a way that is ethical, socially responsible, and developmentally useful to the community. It is a concept in which businesses, in addition to profit and growth, exhibit concern for societal and environmental welfare by accepting responsibility for their actions' influence on stakeholders, employees, shareholders, consumers, suppliers, and civil society. It considers the social and environmental consequences of a company's financial decisions. With the growing need for economic development around the world, financial institutions are being called upon to play a major role in efforts to eradicate poverty and achieve fair and sustainable development.

Index Terms—Corporate, Banks, Employee, Perception.

I. INTRODUCTION

Corporate social responsibility (CSR) is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. The subject of CSR has risen to the top on the agenda of policymakers, managers and social activities in recent times. Economic, trade and commerce and social concerns are increasingly impacting the emerging legislation on corporate governance, compulsory minimum number of non- executive directors, nominating women director and disclosure of greater detail of the operations and finances of an enterprise. The three keys to an effective CSR policy are commitment, clarity and congruence with corporate values. The role of government in relation to CSR, the drivers of CSR, the adoption level and end results of CSR must be studied well to moving towards world class business achievement.

II. REVIEW OF LITERATURE

Dhingra and Mittal (2016) described major thrust areas for CSR practices in Indian Banks are common in public and private sector banks and also concluded that banks make gestures in respect for socio-environmental concern. Core thrust areas for reported CSR activities in public sector banks are Women Empowerment, Poverty Eradication, Community Welfare, Education, Employment and Vocational Training. Core thrust areas for reported CSR Community Welfare, Rural development, analyze the regarding sales and actual expenditure incurred on corporate social responsibility and concluded that amount which is kept to be utilized for fulfillment of social responsibility, is not utilized. Complete awareness should be created about CSR among the general public to make CSR initiatives more effective.

Singh, Srivastava and Rastogi (2017) in their study selected 19 banks in which 12 are public sector banks and 7 are private sector banks and a deeper analysis of public sector versus private sector banks reveal that public sector banks are far behind private sector banks in terms of spending on CSR. Public sector banks have spent just 0.43% of the average net profit of previous three years on CSR while private sector banks have spent 1.17% of the average net profit of previous three years.

III. OBJECTIVES OF THE STUDY

1. To Study perception of bank employees towards Corporate Social Responsibility practices in selected Private Banks.
2. To study socio demographic profile of employees in private sector Banks.
3. To measure employee related corporate social responsibility practices adopted in selected Private Banks.

IV. RESEARCH DESIGN IN THE PRESENT STUDY

1. Research purpose	To compute and identify the extent of and levels in CSR adopted practices
2. Research method	Simple, convenient, and random survey as well as purposeful
3. Research sample	Private sector bank employees- managers, officers and other staff
4. Sampling techniques used	Simple random sampling
5. Data collection	Primary and secondary data sources
6. Primary data collection	Questionnaire, observation
7. Secondary data collection	Books, Journals, reports, survey, research articles, websites, thesis, etc.

V. STATEMENT OF THE PROBLEM

This study attempts to know, the perception and accountability in CSR practices adopted in selected Private Banks. Some questions are raised and an attempt is made in the present study. The raised questions are perception of bank employees towards CSR practiced, customers and community development related CSR practices, types of CSR activities- economic, ethical, philanthropically are practiced by private sector banks.

Primary source of data:

The primary data was collected by using questionnaires, observation, discussions, emails, and personal interviews. The questionnaire was administered among bank employees.

Secondary source of data:

Secondary data has been collected from various Journal, books, magazines, annual reports of banks, RBI, website of CSR and Banks, periodicals, research articles and newspaper.

VI. ANALYSIS AND INTERPRETATION

- 1 According to the survey, when we compare the age of the respondents, 14% of the respondents are between the age of 20-30 years, 33% of the respondents are 31-40 years, 29% of the respondents are 41-50 years, 24% of the respondents are 51-60 years.
- 2 According to this survey, when we compare the

gender of the bank employees of HDFC bank and Axis bank 47% of the employees are male and 53% of the employees are female.

- 3 According to the survey, when we compare the perception of CSR must be compulsory in banking sector out of 105 sample respondents of the private sector banks are of the opinion that 85 respondents (77.9 percent) agree that their banks CSR must be compulsory in banking sector, whereas only 23 respondents (22.1 percent) disagree that their CSR must be compulsory in banking sector.
- 4 Out of 105 respondents, majority of the respondents of private sector banks agreed that giving scholarship is the way practiced for performing CSR activities.

VII. FINDINGS OF THE STUDY

1. Majority respondents of private sector banks are belonging from 41-50 age group and 31-40 years age group.
2. Majority respondents are female to the extent of 53 percent from Private Sector Banks respectively.
3. Majority respondents of the both banks are post-graduate to the extent of 45.7 percent Private Sector Banks respectively.
4. Majority of the designation of the bank employees of HDFC bank and Axis bank 39% of the bank employees are manager, 35% of the bank employees are officer, 26% of the bank employees are clerk.
5. Majority of the annual income of the bank employees are 34% of 5-10 lakhs and 29% of the bank employees' annual income are up to 3 lakhs respectively.
6. Majority of 45% of the bank employees for financial institution, 28% of the bank employees for own development, 27% of the bank employees for the society development.
7. Majority the perception of CSR must be compulsory in banking sector out of 105 sample respondents of the private sector banks are of the opinion that 85 respondents (77.9 percent) agree that their banks CSR must be compulsory in banking sector, whereas only 23 respondents (22.1 percent) disagree that their CSR must be compulsory in banking sector. Majority of the sample respondent's opinion is that 38% are framed by separate body, 23% are framed by board of directors, 21% are framed by branch

manager,18% are framed by labour management participation.

VIII.SUGRESSIONS

- 1 RBI should come forward with a uniform format of CSR reporting.
- 2 Most of the Banks employees are not aware about the CSR activities there banks are carrying out. Few Banks employees are joining hands with the NGOS team for proper implementation of CSR activities.
- 3 Many Banks have their own foundation or trust to carry out CSR activities. But not allthe banks.

IX. CONCLUSION

There is a need for corporate sector to embed CSR in corporate strategy, thus making business case for CSR to be the highest priority. Reporting of CSR activities need not to be taken as responsibility instead should be taken as learning which will help to look at the processes differently and serve as the scorecard towardcontinuous improvement.

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