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## *Attitude and perception of corporate sector towards corporate social responsibility*

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*Abstract: This study aims to examine the attitude and perception of corporate sector towards corporate social responsibility (CSR). In order to achieve the purpose of this study, the data was collected using a structured questionnaire from 400 respondents of Public and private business organizations. The data was analyzed with help of IBM SPSS software. The results of our study suggest that corporate (Public and private) industry highly perceive the benefits of CSR activities. Further, our results documented that organization need to create such products which provide benefit to society at large. Our findings also suggest that organization need to operate their business according to environmental policies and code of ethics. In addition, our results show that organizations should take care of social responsibilities other than the economic growth.*

*Keywords: Attitude, Perception, CSR, India.*

### I. INTRODUCTION

In present-day business environment, described by a socially mindful market environment, "corporate social responsibility" (CSR) is a higher priority than any time in recent memory (Serenko and Bontis, 2009; Melovic et al., 2019). CSR impacts workers in each fragment inside the organization, just as the organization overall, and that is the reason better discernment and execution of CSR systems by representatives address a significant factor of the accomplishment of the actual organization (Soltani et al., 2015). More specifically, it is very important that both employees and managers understand the conceptual framework of CSR, and under what conditions it has an influence on the attitudes and perceptions of the employees, who represent the vital property of an organization (Becker-Olsen et al., 2006; Freeman and Liedtka, 1997; Glavas and Kelley, 2014; Melovic et al., 2019). Furthermore, policymakers, organizations, and stakeholders need to recognize how perceptions and attitudes of employees impact the performance of the firm, development, and implementation of corporate social responsibility.

Hence, prominent work is done by researchers to understand and analyze perception and attitude of corporates towards corporates social responsibility (Tsai et al. 2012; Lee et al., 2013; Mohr et al. 2001; Becker-Olsen et al., 2006; Tsoutsoura, 2004). Therefore, our paper measured the corporate sector's attitude and perception towards to social corporate responsibility. The rest of the article is structured as follows. Section 2 discusses the literature review. In Section 3, we show the methodology to analyze the data. The results are discussed in Section 4. The findings are concluded in Section 5.

## II. REVIEW OF LITERATURE

Many theories related to stakeholders propose that business firms require addressing concerns far from owner's wealth (Donaldson and Preston, 1995; Freeman, 1984). Past studies discuss that the prospective of corporate social responsibility to produce "firm legitimacy" and "serve public interest" (Sheth and Babiak 2010; Wood 1991). A study conducted by Kurucz et al. (2008) established relationship between implementation of CSR and firm's financial performance, and, documented that adoption of CSR activities have positive and significant influence on firm's performance. In addition, Margolis and Walsh (2003) also suggested benefits of CSR adoption in improvement in firm's financial performance. Previous studies documented implementations of CSR activities provide many advantages to firms, for instance, improved "earnings quality" (Kim et al., 2012), increased "operating efficiency" (Porter and Kramer, 2006), "brand and company's reputation", "investors' and customers' preferences" (Sen, 2001), improved "employees' productivity" (Valentine and Fleischman, 2008), "risk management" (Cheng et al., 2013). Therefore, so far discussed studies suggest that the advantages of CSR activities extensively exist in much research and that they are very significant for further analysis (Melovic et al., 2019). According to Fitzpatrick (2013), "the number of corporate social responsibility related to shareholder proposals has significantly increased in recent years along with the number and dollar volume of socially responsible investment funds". In context of India, not vast literature is present, partly because mandatory India's plunge of corporate social responsibility into the market economy has been relatively new.

## III. METHODOLOGY

### 3.1 Sample and procedures

In this study, we assess the attitude and perception of corporate sector toward corporate social responsibility. Therefore, we collected the data from various public and private business organizations, or we can say mainly two sectors public and private respectively. We distributed the 350 questionnaire to each sector. Of 350 questionnaires, 210 questionnaires were returned from public sector. In addition, 10 out 210 questionnaires were found incomplete. Similarly, 205 out 350 questionnaires were returned from private sector. Out of 205 questionnaires, 5 questionnaires were found incomplete. Therefore, 200 questionnaires from each industry were found suitable for further analysis.

### 3.2 Measurement and Statistical tests

As, this paper aims to assess the perception and attitude of corporate sector towards plan and policy of CSR, therefore, in our study assess corporate sectors' perceptions and attitude with regard to the roles and responsibilities that companies have in society. In order to measure the perceptions and attitude with regard to the roles and responsibilities, we adapted scale developed by Larrán et al. (2017). Further, we measured essential duties of an organization in the public arena using a scale developed by Larrán et al. (2017). We measured all items pertaining to CSR on five point Likert's scale, for instance, "Never=1; Sometimes=2; Occasionally=3; Rarely=4; Always=5".

## IV. RESULTS AND DISCUSSIONS

### 4.1 Demographical profile of respondents

**Table 1** shows demographics of surveyed respondents. Our results show that 61.25 percent were males followed by 38.75 percent females. Further, we found that 43.50 percent were executives followed by 32.50 percent assistant managers, 17.50 percent managers, and rest of 6.50 percent others. Then, our results indicate that majority of respondents were less than 25 years followed by 33 percent in the 25-40 age group, 12 percent were in the age group 41-60. Further, **Table 1** provides that equally half percent of respondents were from public sector and private sectors, respectively.

**Table 1: Demographical profile of respondents**

Variable	Category	Frequency	Percentage
Gender	Male	245	61.25
	Female	155	38.75
Designation	Executive	174	43.50
	Assistant manager	130	32.50
	Manager	70	17.50
	Other	26	6.50
Age (years)	<25	220	55.00
	25-40	132	33.00
	41-60	48	12.00
Sector	public	200	50.00
	Private	200	50.00

Notes: N=400.

Source: The authors

#### 4.2 Descriptive analysis of CSR activities

**Table 2** presents the descriptive statistics towards a well-run organization which is socially responsible. Furthermore, **Table 2** shows means, standard deviation, standard error of mean for banking and insurance industry. We generated the descriptive statistics using IBM SPSS. We found mean score of all statement greater than 3 corresponding to banking and insurance industry which means companies across the banking and insurance sector give importance to CSR activities.

**Table 2: Descriptive statistics for CSR**

	Industry	N	Mean	Std. Deviation	Std. Error Mean
CSR1	Public	200	3.429	.8601	.0555
	Private	200	3.375	1.0515	.0679
CSR2	Public	200	3.229	.8243	.0532
	Private	200	3.304	.8935	.0577
CSR3	Public	200	3.196	.7757	.0501
	Private	200	3.483	.7814	.0504
CSR4	Public	200	3.200	.7610	.0491
	Private	200	3.417	.8392	.0542
CSR5	Public	200	3.221	.8466	.0546
	Private	200	3.304	.8935	.0577
CSR6	Public	200	3.258	.8433	.0544
	Private	200	3.242	.8963	.0579
CSR7	Public	200	3.325	.8147	.0526
	Private	200	3.408	.8963	.0579
CSR8	Public	200	3.246	.9159	.0591
	Private	200	3.329	1.0000	.0645
CSR9	Public	200	3.275	.8330	.0538
	Private	200	3.271	.8664	.0559
CSR10	Public	200	3.213	.8536	.0551
	Private	200	3.363	.8617	.0556
CSR11	Public	200	3.242	.8963	.0579
	Private	200	3.371	.8869	.0572
CSR12	Public	200	3.325	.9071	.0586
	Private	200	3.367	.9368	.0605
CSR13	Public	200	3.229	.7880	.0509
	Private	200	3.325	.8694	.0561
CSR14	Public	200	3.288	.8463	.0546
	Private	200	3.283	.9165	.0592

Notes: N=400.

#### 4.3 Comparison between CSR activities in Public and private sector

**Table 3** shows the respondents' opinion towards to primary responsibility of an organization. The results show that corporate social responsibility is differentiated between Public and Private sector on statements CSR3: "CSR must live up to society needs", "CSR10: CSR increase confidence of business leaders to work effectively", the difference of mean of these statements were reported -0.288, and -0.150, respectively which significant at different level of significance.

In addition, the results show that corporate social responsibility is not differentiated between Public and Private sector on statements i.e. CSR1:“CSR is essential obligation of organization towards society.”, CSR2:“CSR reflects a responsible behaviour towards society.”, CSR4:“CSR attracts people attention towards organization accountability.”, CSR5:“CRS reflects organization responsibility towards government social welfare policy.”, CSR6:“Employee recognizes CRS activity as company obligation towards society.”, CSR7:“CSR increase long term profitability of the organization.”, CSR8: “CSR capture public attention towards organizational image.”, CSR9:“CSR increase organization responsibility towards shareholders.”, CSR11:“CSR aware consumers and general public to bear the cost of social activities.”, CSR12:“CSR helps organization in strengthening its brand identity.”, CSR13:“CSR establish social recognition of the organization.”, and CSR14:“CSR describe the responsibility and accountability of organization towards society”.

**Table 3: independent samples t-test**

Codes	t	df	p-value	Mean Difference	Std. Error Difference
CSR1	0.618	396	0.537	0.054	0.088
CSR2	-0.956	396	0.340	-0.075	0.078
CSR3	-4.045***	396	0.000	-0.288	0.071
CSR4	-2.963	396	0.003	-0.217	0.073
CSR5	-1.049	396	0.295	-0.083	0.079
CSR6	0.210	396	0.834	0.017	0.079
CSR7	-1.066	396	0.287	-0.083	0.078
CSR8	-0.952	396	0.342	-0.083	0.088
CSR9	0.054	396	0.957	0.004	0.078
CSR10	-1.916*	396	0.056	-0.150	0.078
CSR11	-1.587	396	0.113	-0.129	0.081
CSR12	-0.495	396	0.621	-0.042	0.084
CSR13	-1.265	396	0.206	-0.096	0.076
CSR14	0.052	396	0.959	0.004	0.081

Notes: \*, \*\*, \*\*\* significant at 5%, 1%, and 0.1%, respectively

## V. CONCLUSION

This study aims to examine the attitudes of corporate sectors towards plan and policies of corporate sector responsibility. Therefore, we collected the data from two sector namely (i) Public, (ii) private to examine the attitudes of corporate sectors towards plan and policies of corporate sector responsibility. Using the responses of 400 respondents, we documented that organization should focus on create such products which provide benefit to society at large. Our findings also suggest that organization should operate their business according to environmental policies and code of ethics. Further, our results provide that corporate sectors should execute program to decrease its adverse effect on natural atmosphere.

Further, our results suggest that organization should focus on customers' satisfaction, equal-opportunities towards employment, and maximization of profits. In addition, our results show that organizations should takes care of social responsibilities other than the economic growth. Therefore, our results provide useful implications for public and private sector on how these sectors discharge their social corporate responsibility.

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Annexure: Questionnaire

Section A

Demographic Profile of Student (tick)

1. Gender:

Male

Female

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2. Designation:

Executive

Assistant manager

Manager

Other

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3. Age (years):

<25

25-40

41-60

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4. Industry:

Public  private

Section B

What are the different areas of CSR activities where the companies are involved? Which area of CSR companies are focusing mainly and which area is least focused? Based on the experience in your current organization, kindly respond to the following statements related to the CSR activities of the company.

Never=1; Sometimes=2; Occasionally=3; Rarely=4; Always=5

Codes	Statements	1	2	3	4	5
CSR1	CSR is essential obligation of organization towards society.					
CSR2	CSR reflects a responsible behaviour towards society.					
CSR3	CSR must live up to society needs.					
CSR4	CSR attracts people attention towards organization accountability.					
CSR5	CRS reflects organization responsibility towards government social welfare policy.					
CSR6	Employee recognizes CRS activity as company obligation towards society.					
CSR7	CSR increase long term profitability of the organization.					
CSR8	CSR capture public attention towards organizational image.					
CSR9	CSR increase organization responsibility towards shareholders.					
CSR10	CSR increase confidence of business leaders to work effectively.					
CSR11	CSR aware consumers and general public to bear the cost of social activities.					
CSR12	CSR helps organization in strengthening its brand identity.					
CSR13	CSR establish social recognition of the organization.					
CSR14	CSR describe the responsibility and accountability of organization towards society.					