

“AN ANALYSIS OF STAKEHOLDERS’ PERCEPTION TOWARDS CSR PRACTICES”

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Abstract

This research paper wishes to assess the stakeholders’ perception towards corporate social responsibility practices offered by Adani group and Ambuja cement in Gujarat. Attempts have been made to find out the fields and areas where, these organizations put their stress to offer CSR practices towards the society and stakeholders. A critical assessment is carried out to know and check the level of awareness and perception towards the CSR practices among the stakeholders. The present study identified the gap between desired, expected and actual performed practices in present time by above mentioned organizations. It is a descriptive and empirical study led by a survey method. The purpose of this research paper is to critically examine the CSR practices and activities of selected companies. The data comprises of both primary and secondary data for this research problem and analyzed using suitable and applicable statistical tools. The study concludes with finding, suggestions and conclusion.

Keywords: *CSR Practices, Stakeholders’ Perception, Views and Awareness.*

1. INTRODUCTION

Corporate social responsibility is a concept that has become quite familiar in the world of business today. The present-day conception of corporate social responsibility implies that companies voluntarily integrate social and environmental concerns in their operations and interaction with stakeholders. CSR involves applying the concept of sustainable development to the corporate world. Companies that respect and listen to their stakeholders must naturally be concerned by their growth and profitability, but they must also be aware of the economic, environmental, social and societal impacts of their activities. CSR includes not only the behavior

that a business under takes for the growth and development, but also it includes the various techniques that a company is accountable for, such as savings and lucidity. To realize the significance these ventures incorporate those business practices which are socially acceptable. The fundamental unbiased criteria of CSR are to make the most of the company's by and large contact by the society and stakeholders while taking into consideration the ecological and largely the sustainable part. Some accessible CSR policy initiatives are taken across the country as the significance of being communally accountable is being documented all through the world, governments are conscious of the national viable reward are won from a liable production sector. Huge corporations have been increasingly able to realize the different operations are situated. The Organization for Economic Co-operation and Development (OECD) recognized a position of guiding principle for international enterprise in 1976, and was consequently found to develop the concept of CSR. The main aim of these principles was to recover the venture environment and promote the optimistic involvement in the global enterprise which can create an impact on the fiscal and communal grounds. Many business firms around the globe are stressed with different responsibilities, which intend to fulfill the requirements of the current age group with no compromise in the capability of the coming generations to meet up their own requirements. Many companies are being called ahead to take up different tasks in a responsible way to run their business which jolts the society and the normal atmosphere.

1.1 ADANI GROUP

Adani Foundation's resolve to make quality education available and affordable to as many children as possible has taken the form of several cost-free schools as well as subsidized schools across India. Many smart learning programs as well as projects to adopt government schools are being run in remote areas to ensure the realization of true potential of children.

It also aids Aanganwadis and Balwadis by creating a fun-filled environment for the children. The replicability and scalability of these educational models are ensuring that more and more children can become beneficiaries and pave their way towards a bright future.

1.2 AMBUJA CEMENT

Ambuja Cements Limited (ACL) is India's leading cement company. It instigated cement production in 1986. Ambuja Cement is a premier cement brand in India for Ordinary Portland Cement (OPC) and Pozzolana Portland Cement (PPC), with a significant footprint across the western, eastern and northern markets of India. Our customers range from individual house builders (IHBs) to governments to global construction firms.

CSR interventions at Ambuja Cement

Ambuja foundation found the absence of apposite pre- and post-natal care service and lack of institutional deliveries, which caused mother and child at a high risk of mortality and suffer poor health. Hence it started home based neonatal care, ante natal & post natal services, immunization, adolescent health and health promotion as CSR practices. Other than, Ambuja foundation has also contributed to some of the major fields and areas as CSR practices which are as follows: water sanitation and hygiene, personal & environmental hygiene, village health & sanitation committees, construction of new structures, renovation & revival of existing structures, promoting innovations, rooftop rainwater harvesting structures, drinking water distribution system, quality surveillance and awareness building, awareness raising among communities, micro-irrigation promotion, empowerment of local institutions, awareness building, training capacity building & exposure visits, encourage regular saving and credit, water management & micro irrigation, promote sustainable & organic practices, support animal husbandry & aquaculture, joint bulk procurement, promotion of crop & livestock, insurance scheme information, creating linkages with service providers, facilitating claim settlement process for farmers, sanitation facilities, school beautification, academic support, capacity building of teachers/balmitra, integration of resources & technology, extracurricular activities, early intervention & therapeutic centers, and home based rehabilitation programs.

2.REVIEW OF LITERATURE

1.Archie B. Carrolland Kareem M. Shabana (2010) in *The Business Case for Corporate Social Responsibility: A Review of Concepts, Research and Practice*, have answered questions like what do the business community and organizations get out of CSR, that is, how do they benefit tangibly from engaging in CSR policies, activities and practices? In the study, the business case refers to the underlying arguments or rationales supporting or documenting why the business community should accept and advance the CSR.

2. Ramaswamy& G. Sathish Kumar (2010) have emphasized on environmental sustainability-- the ability of the environment to function indefinitely without going into a decline from the stresses (such as soil, water, and air) that maintain life. Environmental sustainability should harmonize with economic, social, political, cultural, and technological sustainability. With this background, the authors have made a sincere effort to compile the selected papers written on different points of time which reverberated the major environmental events in the world.

3. Rosamaria C. MouraLeite& Robert C. Padgett (2011) in *Historical Background of Corporate Social Responsibility* found that in 1950s, the primary focus was on businesses' responsibilities to society and doing good deeds for society. In 1960s, key events, people and ideas were instrumental in characterizing the social changes ushered in during this decade. In the 1970s, business managers applied the traditional management functions when dealing

with CSR issues, while in the 1980s, business and social interest came closer and firms became more responsive to their stakeholders. During the 1990s, the idea of CSR became almost universally approved, also CSR was coupled with strategy literature and finally, in the 2000s, CSR became definitively an important strategic issue.

4. **Bedrich Moldan, Svatava Janouskova & Tomas Hak (2011)** stated that environmental sustainability is correctly defined by focusing on its bio-geophysical aspects. This means maintaining or improving the integrity of the Earth's life supporting systems. The concept of sustainable development and its three pillars has evolved from a rather vague and mostly qualitative notion to more precise specifications defined many times over in quantitative terms. Hence the need for a wide array of indicators is very clear.

3. OBJECTIVE OF THE STUDY

1. To critically examine the concept of corporate social responsibilities.
2. To study the fields and areas for CSR practices.
3. To assess the stakeholders' awareness, views, and perception towards CSR practices in Gujarat.
4. To compare the CSR practices offered by Adani and Ambuja cement.

4. HYPOTHESIS

H01: There is no significant difference in CSR practices of selected organizations.

Ha1. There is significant difference in CSR practices of selected organizations.

5. RESEARCH METHODOLOGY

5.1 Data Collections

The primary and secondary sources for the data collection have been focused. Descriptive and empirical research design is the base of the research study, that led by survey method and a well-structured questionnaire used to procure primary data from the stakeholders to study their level of awareness, views, and perception about CSR practices that are being offered by Adani group and Ambuja cement. The primary data have been collected by interview from stakeholders through a well-structured questionnaire; consisting of multiple option questions (objective type), to complete this research study.

5.2 Tools Applied

The basic pro-forma and model of the questionnaire consisting three sections, namely- A, B and C; having multiple option questions, was developed in English to know and acknowledge views through survey with stakeholders. The questions under the questionnaire are closely related and associated with this research study so that outcomes of the questionnaire should be analyzed for the said purpose. The Likert Scale was chosen and adopted as the survey instrument in the questionnaire, as follows-

- 1. Strongly Disagree**
- 2. Disagree**
- 3. Neutral**
- 4. Agree**
- 5. Strongly Agree**

6. DATA ANALYSIS AND INTERPRETATION

6.1 Analysis of Respondents' Profile on Demographic Factors

Demographic Factors	Data	Frequency (200)	Percentage
Gender	Male	144	72
	Female	56	28

Age	20 & Below	28	14
	21-30	40	20
	31-40	72	36
	41-50	44	22
	Above 51	16	8
Education	Under Graduate	46	23
	Graduate	104	52
	Post graduate	34	17
	Professional	16	8
Occupation	Govt. Employee	42	21
	Pvt. Sector Employee	94	47
	Self-Employed	32	16
	Professional	18	9
	Businessman	14	7
Annual Income	Less than 2lacs	30	15
	2.01-4lacs	56	28
	4.01-6lacs	82	41
	6.01-8lacs	22	11
	More than 8lacs	10	5
Work Experience	5 Year & Below	72	36
	6-10	58	29
	11-15	24	12

	16 Years & more	46	23
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Table 6.1 Breakup of sample size of respondents' on demographical factors

6.2 Testing of Research Hypothesis

H01: There is no significant difference in CSR practices of selected organizations.

Ha1. There is significant difference in CSR practices of selected organizations.

The linear regression was used to test the research hypothesis. Regression analysis was conducted through SPSS version 21.0 and the significance of the coefficients and t-values were examined in order to accept or reject the hypotheses. We have t-value is significant when the calculated value of t is more than the table value of $t = 2.58$ based on two-tailed test for $p < 0.01$.

Table 6.2 presents the regression estimation to check the significance difference incorporate social responsibility practices. The study considered affordable education, cost-free schools, subsidized schools, smart learning programs, and aganwadi/balwadi, as independent variables and significance about CSR practices as a dependent variable from the survey questionnaire. The statement is statistically significant because calculated value of t is greater than the table value (t-value = 5.021, $p < 0.01$). **Thus, we reject the null hypothesis and accept the alternative one i.e. There is significant difference in corporate social responsibility practices.** Among the five independent variables affordable education (.79) has a greater influence on the differences towards CSR practices offered by Adani group and Ambuja cement, followed by cost-free schools (.64) subsidized schools (.51).

Table 6.2: Regression estimation for differences in CSR practices

Independent Variables	Standardized Coefficients (Beta)	t-value	Sig.
Affordable education	.79	5.021*	.000
Cost-free schools	.64		
subsidized schools	.51		
Smart learning programs	.23		
Aganwadi/balwadi	.37		

Note: *t-value is significant for $p < 0.01$

7.FINDINGS AND SUGGESTIONS

The present research paper offers major findings about stakeholders' perception towards CSR practices. The study also has reached on some significant conclusion and findings after conducting this research study.

1. The study found that there is lesser consciousness about CSR practices among the stakeholders.
2. The research study tried to assess the CSR Practices offered by Adani group and Ambuja cement towards education in which study found the significant difference in CSR practices.
3. Results of the study presents that CSR practices which are concern with affordable education as CSR practices, are much performed by Adani group as compared to Ambuja cement. Affordable education is one of the variables which create the wider gap between CSR practices of both the organizations.
4. Majority of the respondents belong to the male category, there are 144 (72%) male and 56 (28%) female respondent from total 200 respondents.
5. Study also found that respondents who belong to the age group of 31-40, have majorly contributed to the research study more sincerely in giving the responses.

6. Research study considered graduation as a demographic factor in education category in the research study where 104, (52) respondent belong the same and had a major contribution in the research study.
7. Research study found that Ambuja cement is offering CSR practices to concern with education as a field and area but organization should give more attention towards the core areas and fields of education so that more and more stakeholders may benefited.
8. Ambuja cement has wide variety of CSR practices that has been discussed in introduction part of this study. In same way Adani group should also perform some other areas and fields so that more and more stakeholders may get benefit.

8.CONCLUSION

The present study implies descriptive and empirical research design, based on the survey method. The primary data required in the study was collected from stakeholders of Adani group and Ambuja cement. The study basically comprises of 200 respondents through a structured questionnaire. The qualitative variables were measured on five point Liker Scale. Study concludes that there is less awareness about CSR practices among respondents. The regression estimation was carried out to check the significance difference in corporate social responsibility practices of both the organization. The study considered affordable education, cost-free schools, subsidized schools, smart learning programs, and aganwadi/balwadi, as independent variables and significance about CSR practices as a dependent variable. Among the five independent variables affordable education has a greater influence on the differences towards CSR practices offered by Adani group and Ambuja cement, followed by cost-free schools, subsidized schools.

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