

# ORGANISATIONAL CSR PRACTICES: A STRATEGIC LEVER TOWARDS HARNESSING HIGHER EMPLOYEE ENGAGEMENT

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**Abstract** *Employee engagement is a well-researched concept of human resource management and evolved as a key organisational strategic focus area. Many researchers have supported the vital role of employee engagement in achieving high-performance levels and superior business results for the organisation. In the present highly complex and fast-changing business environment, developing an actively engaged workforce is key to the survival and continuity of business enterprises. Corporate social responsibility (CSR), on the other hand, is rapidly changing from a mere set of corporate initiatives for fulfilling societal obligation. CSR presently revolves around concepts like corporate citizenship, corporate sustainability, strategic philanthropy, and doing business responsibly. Due to the dynamic behaviour and the multi-faceted association of organisations with society and its stakeholders, the nature of CSR is more complex. CSR has evolved as an essential tool in the direction of fostering an emotional and cognitive connection of the employees with the organisation, and deriving positive and sustainable organisational performance. This is more prominent, particularly for the younger employees. Organisational CSR initiatives positively impact employee engagement, which in turn can reduce costs due to increased employee retention as well as improved reputation in the eyes of employees. By integrating CSR and employee engagement into their business strategy, organisations can derive substantial benefits towards achieving positive and sustainable organisational performance. This paper explores the various dimensions of CSR in shaping employees' attitudes and behaviour, and its connection with employee engagement towards superior organisational performance. It focuses on CSR as a significant contributing factor or lever towards harnessing employee engagement.*

**Keywords:** *CSR Practices, Employee CSR Perceptions, CSR Competence, Social/Environmental Sustainability, Employee Engagement*

## INTRODUCTION

Corporate social responsibility and employee engagement are two widely researched topics in recent times. Though corporates are partnering beneficially with the communities right from the very beginning, the stakeholders' expectations from corporate organisations, to contribute meaningfully to society and the environment, are increasing. Since the 1950s, CSR has gained substantial importance and acceptance in business owing to its multi-dimensional impact on both internal as well as external stakeholders. More and more corporates are adopting CSR as an essential tool to manage stakeholder relationships. Organisations around the world have embraced CSR as a strategic focus area to partner with society and the environment in a more meaningful manner. On the other hand, employee engagement is a well-researched concept of human resource management and evolved as a key organisational strategic focus area. It was first conceptualised by Dr. William Kahn in the early 90s as "The harnessing of organization members' self to their

work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances". Many researchers have supported the vital role of employee engagement in achieving superior organisational performance and better business results. More the pool of engaged employees, better the organisational key performance indicators like profitability, market share, and customer satisfaction. Thus, employee engagement in an organisational context is doing well (internally focused), whereas CSR is doing well (externally focused). By leveraging CSR and engagement, organisations can reap multiple benefits and bring positive outcomes to their business.

The positive effect of employee engagement on organisational performance, like profitability, market share, and customer satisfaction, is well established. However, there are not many studies, particularly in the context of Indian manufacturing organisations, on how the CSR initiatives of an organisation influence the employee engagement level and ultimately the organisation's performance. The

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present study was focused on mutually leveraging CSR and employee engagement in the organisational context. The research was intended to explore how well-designed and carefully executed organisational CSR initiatives can positively influence the emotional and cognitive commitment, i.e. engagement level of the employees with the organisation. On the other hand, the study also explores how an engaged workforce can be instrumental in carrying out the organisational CSR programmes with a greater level of impact. This research study was undertaken to explore and establish this linkage concerning large Indian organisations primarily from the manufacturing industry.

Corporate organisations are an integral part of society, and hence, their endeavours should not be limited to only economic progression, but they should also act in a socially responsible manner towards inclusive and sustainable growth. Corporate organisations are supposed to play a significant role by not only providing much-needed monetary resources, but also through their expertise in the management of large projects and programmes in an efficient way. The corporate houses contributed to generating employment and wealth, and creating products and services. However, there is continuously increasing pressure on the corporate bodies to contribute meaningfully towards the issues of all its stakeholders, society at large, and the environment. This voice of the society has further strengthened against the corporates in the context of corporate scams and failure of corporate governance. Those incidents of lapses of corporate governance have further raised the importance of CSR, and organisations around the world have embraced CSR as a strategic focus area to partner with society and the environment in a more cohesive manner. Many corporates have amended their organisational core values to include CSR. Organisations are increasingly including CSR communications in their corporate Web pages, policies, and organisational reports. The commitment of organisations towards society and environment is fast becoming a highlight of product communication and product branding. CSR is fast evolving as a differentiating tool between organisations, and although CSR initiatives require time, effort, and resources, organisations are focusing on innovative CSR practices as a tool to enhance their brand image and differentiate them from their competitors.

There is no universally accepted single definition of CSR and many definitions co-exist. Definitions revolve primarily around the impact businesses have on society at large and what society expects from them. The origin of CSR was in philanthropy, but across the world, the notion of CSR presently revolves around concepts like corporate citizenship, corporate sustainability, strategic philanthropy, and responsibly doing business. An organisation should act responsibly towards the environment and society in which it operates, and ethics should be the core guiding principle

for all organisational practices towards internal as well as external stakeholders, viz. employees, shareholders, customers, consumers, supplier/vendor partners, and the community.

Through robustly designed CSR practices and leveraging management capabilities, organisations can give back to society and take care of environmental challenges. Corporate sustainability refers to the organisation's role in carrying out business in a balanced and responsible manner towards economic progression, contributing meaningfully towards societal development, and taking care of mother earth through responsible environmental practices. Eminent author and a global authority in the domain of CSR and sustainability, John Elkington introduced the term triple bottom line. United Nations Industrial Development Organisation endorses the triple bottom line approach, i.e. balancing the economic, environmental, and social imperatives through CSR, while simultaneously managing the expectations of shareholders and stakeholders. The triple bottom line (TBL) is an accounting framework that goes beyond the measure of profits and the return of capital employed, and includes environmental and social dimensions. In line with this approach, Carroll (1999) identified four components of CSR: economic, legal, ethical, and discretionary or philanthropic.

There are international frameworks of CSR which provides guidelines regarding various aspects of the implementation of the CSR agenda through codes, standards, governance principles, and reporting. The major international frameworks in CSR are the Organisation for Economic Co-operation and Development (OECD), United Nations Global Compact, and Sustainability Development Goal 2030. OECD and ILO share the conviction that a globalisation process complemented by social progress will bring sustainable benefits to both developed and developing countries. In OECD guidelines there are 11 general policy recommendations on disclosure, competition, taxation, employment and industrial relations, combating bribery, consumer interest, environment, and science and technology. Another important international framework is the UN Global Compact, which was initiated in 2000. The UNGC is a strategic policy initiative for businesses that are committed to aligning their processes and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption. The multi-year strategy of the UN Global Compact is to drive business awareness and action in support of achieving the Sustainable Development Goals by 2030. In September 2015, all 193 member states of the United Nations adopted a plan for achieving a better future for all — laying out a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect our planet. At the heart of “Agenda 2030” are the 17 Sustainable Development Goals (SDGs) which clearly define the world we want — applying to all

nations and leaving no one behind. The SDGs provide a historic opportunity to unite all global stakeholders to end extreme poverty, fight inequality and injustice, and protect our planet.

India has emerged as one of the major global powers. The Indian economy has emerged as one of the fastest-growing economies in the world. The huge consumer base and burgeoning middle-class population of India are attracting multinational enterprises from across the world. However, there are many pressing issues to address as the country continues to fight acute poverty, illiteracy, and malnutrition. India is still the country with a maximum number of people living in absolute poverty and malnourished children. On the one hand, India is the second-largest producer of food grains, and at the same time, India is having the second-highest undernourished population. Hence, fighting against hunger, malnutrition, poor health, and child mortality remain a significant challenge for our country. These paradoxical landscapes point towards one common thread, that the benefits of growth are not divided equally, and the gap between the haves and the have-nots is far and wide. The socio-economic divide is even more prominent in rural India. Even after 70 years of independence, India's rural heartland is still dealing with the problems of hunger, high mortality, malnutrition, poor health, and illiteracy; and they are more acute compared to the urban areas. The issues are so mammoth that the government alone cannot provide essential services to its citizens and resolve the burgeoning issues. The progress and welfare of society are not only the responsibility of the government, but also of the other stakeholders. It is a collective responsibility to remove disparity and provide equal access to essential resources for all strata of society. Indian corporate organisations can play a major role in this area through CSR projects and programmes.

## LITERATURE REVIEW

The roots of CSR can be traced to the stakeholder concept (Freeman, 1984). Stakeholder theory emphasises on organisations building fruitful relationships with stakeholders and creating value for all of them. The ability of CSR to produce positive outcomes lies in generating positive relations between stakeholders and the firm (Barnett, 2007). Research has indeed seen stakeholder satisfaction as an important driver of organisational outcomes. Three major roles are played by stakeholders – set expectations, experience, and evaluate. Wood and Jones (1995) emphasised that this role partition is useful in understanding the mechanisms that translate CSR into organisational outcomes. Employees are highly salient stakeholders and employees significantly influence the firm (Greenwood, 2007). Aguilera et al. (2007) supported this view and stated that employees as a focal point of analysis have received

limited attention in previous CSR literature. CSR builds a strong bond between an organisation and its employees (Degli Antoni & Sacconi, 2013). CSR has a direct positive correlation to the organisation's productivity and attracting and retaining talent. CSR practices adopted by the company influence the attitudes and behaviours of their employees (Barnett, 2007). CSR seeks win-win outcomes with a direct positive correlation to the organisation's productivity and attracting and retaining talent (Carroll & Shabana, 2010). CSR practices create shared value between employees and the organisation (Porter & Kramer, 2011). CSR can be integrated into the workplace, which can substantially influence the employees' attitudes and behaviour, ultimately fostering the performance of the organisation (Low, 2016). CSR practices positively influence job satisfaction and affective commitment. Organisational CSR practices positively influence job satisfaction (Brammer et al., 2007), organisational commitment (Peterson, 2004; Brammer et al., 2007; Turker, 2008), and organisational citizenship behaviours (Lin et al., 2010). Zhou et al. (2018) mentioned that positively perceived CSR exponentially stimulates organisational pride, which in turn has a positive and linear direct impact on job satisfaction and affective commitment. Abraham (2012) conducted a study to examine the effect of job satisfaction on employee engagement. Correlation results of the study showed that job satisfaction and employee engagement are related. The study highlighted the role of management in building a conducive organisational climate that supports creativity and fosters cooperation and trust among employees, which would boost the satisfaction level, leading to engagement. Santhosh & Baral (2015) studied the link between CSR and its outcomes among employees. They found that CSR initiatives of the organisation can increase connect of the employees with the organisation and influence employee attitude.

Several studies indicate that there is a positive relationship between employee engagement and affective commitment (Richardson et al., 2006; Llorens et al., 2006; Hakanen et al., 2006; Saks, 2006). This employee behaviour reduces an organisation's operating costs and enhances its productivity (El-Garaihy et al., 2014). Ghosh and Gurunathan (2013) conducted a study to investigate how an employee's intention to leave the organisation is indirectly influenced by two dimensions of perceived CSR, i.e. CSR to society and CSR to customers through the mediation of job embeddedness (JE). The study was conducted on 19 companies in the Indian banking sector. The findings from this study indicated that both the dimensions of CSR – developing CSR for society and CSR for the customer can be effective ways to improve employee retention in the organisations. It was found that both dimensions lower employees' intention to leave the organisation. A study by Dhanesh (2014) revealed strong, significant, and positive associations between CSR and organisation–employee relationships.

Chaudhary (2017) conducted a study in the Indian manufacturing as well as service organisations to study the impact of employees' corporate social responsibility (CSR) perceptions on their engagement level at work. The study findings highlight the potential of an organisation's involvement in CSR activities in influencing employee attitude and behaviour at work. Gupta and Sharma (2016) explored the relationship between corporate social responsibility and employee engagement and its linkage to organisational performance. The study highlights CSR as a significant contributing factor among the antecedents of employee engagement and better organisational performance. Sekar and Dyaram (2017) in their study explored how some of the key factors of employee motivation and employee perception of volunteering programmes impact their participation in corporate volunteering. The results indicated that the humane motive and characteristics of corporate volunteering programmes significantly predict employee participation in corporate volunteering.

## RESEARCH DESIGN

After the review of literature and study of the allied researches, it was found that although there are plenty of studies regarding CSR and external stakeholders of an organisation, like society and customers, there are limited studies available regarding how the social responsibility practices of the organisations impact the internal stakeholder – the employees. Furthermore, there are very few studies available in this domain conducted on large Indian organisations primarily from the manufacturing arena. Hence, to study organisational CSR and how it affects the

employees in terms of employee engagement level, the following research framework has been developed.

A correlational research design was adopted to study the interrelations of independent variables and dependent variables. The framework proposes that when CSR practices are linked with long-term goals of the organisation, like strategy and social/environmental sustainability, it positively influences the emotional and cognitive commitment of the employees to the organisation, which is termed employee engagement. CSR is embedded in the organisational culture and enhances CSR competence and employee perception of CSR. In the present study, an overall CSR perception scale was designed. The overall CSR perception scale had four sub-components, i.e. perceived CSR practices scale (PCP), CSR competence scale (CSRC), perceived CSR strategy policy linkage scale (CSPL), and social/environmental sustainability scale (SES). In the present research study, the linkages between each of those four sub-components of the overall CSR perception scale and its effects on employee engagement have been studied. While employee engagement has been considered a dependent variable, the four sub-components of overall CSR perception are taken as the independent variables for an initial set of hypotheses.

The objectives of the study were:

- To analyse the CSR practices in regard to social, economic, and natural capital of the select organisations.
- To assess the stakeholders' perceptions about CSR and its role in employee engagement in select organisations.
- To study the relation between CSR perceptions and employee engagement.

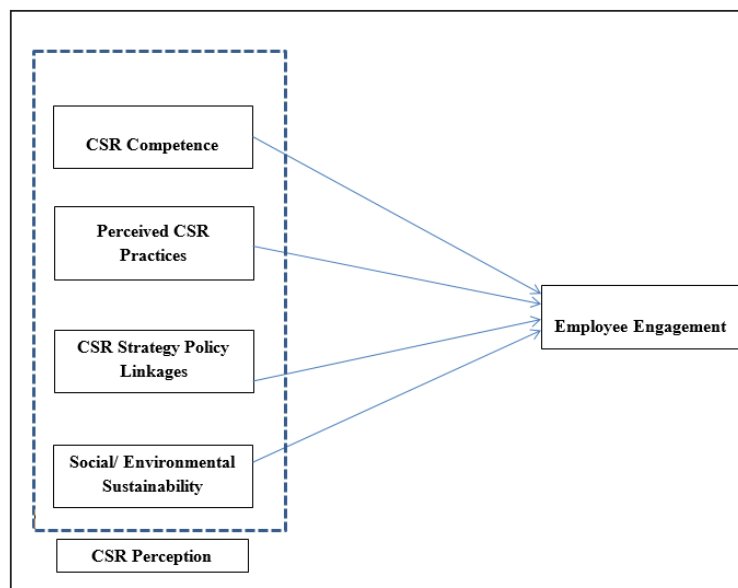


Fig. 1: Research Framework

CSR perceptions were further studied concerning four sub-components, i.e. perceived CSR practices scale (PCP), CSR competence scale (CSRC), perceived CSR strategy policy linkage scale (CSPL), and social/environmental sustainability scale (SES).

The first objective was quantitatively to analyse the CSR practices of the selected organisations concerning social, economic, and natural capital. Hence, no hypothesis is formulated for objective number 1. For objectives 2 and 3, the pertinent sub-objectives were formed and the corresponding alternate hypotheses are as follows:

*H2a: Highly engaged employees will have a better perception about organisational CSR practices.*

*H2b: Highly engaged employees will have a better perception about organisational CSR competence.*

*H2c: Highly engaged employees will have a better perception about CSR practices linked to social/environmental sustainability.*

*H2d: Highly engaged employees will have a better perception about CSR linked to organisational strategy and policy.*

*H3a: Employee engagement will positively enhance CSR competencies of the organisation.*

*H3b: Employee engagement will positively enhance employee perception of CSR practices.*

*H3c: Employee engagement will positively enhance CSR practices linked with organisational strategy and policy.*

*H3d: Employee engagement will positively enhance CSR linked with social/environmental sustainability.*

## RESEARCH METHODOLOGY

The study was conducted to explore how the CSR practices of large-scale organisations are influencing the perception of the employees of those organisations. The study explored the various CSR practices of large-scale organisations concerning employee engagement, and identifies how the employee's perception of CSR impacts employee engagement. It was a descriptive study based on the primary data collected through a survey-type research methodology from employees of various large-scale organisations primarily operating in the Indian manufacturing space. The study was conducted in large manufacturing sector companies representing engineering, automotive/farm equipment sectors, auto ancillaries, and manufacturers of industrial intermediates for an in-depth study of their CSR activities as per the objectives of the research study.

A CSR perception scale (CSRP) was designed to measure the perception of employees on CSR initiatives of the organisations and their connection with employee engagement. The perception scale was a four-point Likert

type. The CSR perception scale has four sub-components, i.e. perceived CSR practices scale (PCP), CSR competence scale (CSRC), perceived CSR strategy policy linkage scale (CSPL), and social/environmental sustainability scale (SES). All the measures used in this study were drawn from existing literature and adapted to the context of the current study. The scales were adapted from standard scales, i.e. CSR competence scale was adapted from Vorhies and Morgan (2005), the perceived CSR practices scale was adapted from Maignan and Ferrell (2001), the strategy policy linkage scale was adapted from Moisescu (2014) and Gorski & Croitor (2014), and the social/environmental sustainability scale was adapted from Witek-Hajduk and Zaborek (2016). The questionnaire tool has 42 questions, out of which 34 were related to overall CSR perception and six were on measuring employee engagement. There were two open-ended questions on potential barriers stopping employees from participating in CSR, and how the organisation is promoting employee engagement in CSR. The overall reliability of the CSR perception scale (CSRP) was tested and Cronbach's alpha was found to be 0.924. This value indicates a high level of reliability of the scale.

Primary data was collected through a questionnaire tool. A purposive sampling approach was followed. As the sample size was large, it was assumed to be a representation of the entire employee population of the targeted organisations. Hence, parametric tests were applied to test the hypotheses of the study. The survey questionnaire was administered to the management cadre employees, from senior management, middle management, as well as junior management cadre, from ACC, BHEL, TATA Motors, TAFE, M&M, HEG, and ESCORTS. Final primary data was received from 202 respondents. Overall, 398 potential employees of different levels from selected organisations were approached. However, the primary data was received from 202 respondents. The sample size was justified as per statistical assumptions. The employees from upper management, middle management, and junior management cadre responded to the survey. The respondents were selected through a judgmental sampling technique based on the level of management hierarchy and willingness to participate in the study. The respondent's background, i.e. organisation, gender, age, education, level of management, and tenure were recorded. To substantiate the survey data, more information on social responsibility was collected from a sample of 12 key functionaries from the concerned organisations.

## RESULTS

In the present study, the engagement level of the survey respondents is measured by the responses to six specific questions on a four-point Likert scale. The maximum possible score for one response was 24 by summing the

responses to each of the six questions. The levels of employee engagement were classified into four groups: highly engaged ( $> 16.1$ ), moderately engaged (13.1 to 16), passive (11.1 to 13), and disengaged ( $< 11$ ). Analysis of responses through cross-tabulation revealed that out of 202 respondents, 11 respondents were found to be disengaged, 19 were passive, 90 moderately engaged, and 82 highly engaged. Further analysis concerning organisational hierarchical levels of the respondents, i.e. junior management, middle management, and senior management show the engagement levels of the employees. Engagement level was found to be highest in the middle management cadre. Similar analysis concerning tenure in the organisation reveals that in the tenure bracket 3-5 years (23.8%) and 5-10 years (33.2%), a substantial section of the employees are highly engaged.

Components of CSR perception were checked across different levels of employee engagement through one-way ANOVA. Perceived CSR practices and engagement categories were checked, and it was found that there was a significant difference in the mean between and within the categories of employee engagement ( $F = 21.090$ ,  $df = 3/198$ ,  $P < 0.01$ ). The findings thus support hypothesis H2a that highly engaged employees will have a better perception of organisational CSR practices. Similarly, CSR competence and engagement categories were checked, and it was found that there is a significant difference in the mean between and within the categories of employee engagement ( $F = 17.89$ ,  $df = 3/198$ ,  $P < 0.01$ ). The findings thus support hypothesis H2b that highly engaged employees will have a better perception of organisational CSR competence. The other independent variables, social environmental sustainability and engagement categories, were checked, and it was found that there was a significant difference in mean between and within the categories of employee engagement ( $F = 13.46$ ,  $df = 3/198$ ,  $P < 0.01$ ). The findings thus support hypothesis H2c that highly engaged employees will have a better perception of CSR practices linked to social/environmental sustainability. Components of CSR strategy policy linkages were checked across different levels of employee engagement through one-way ANOVA and it was found that there was a significant difference in mean between and within the categories of employee engagement ( $F = 23.09$ ,  $df = 3/198$ ,  $P < 0.01$ ). The findings thus support hypothesis H2d that highly engaged employees will have better perceptions about CSR linked to organisational strategy and policy.

To explore the relationship of employee engagement with study variables, correlational analysis was conducted. A significant positive correlation has been found between employee engagement and CSR strategy/policy linkage ( $r = .506$ ,  $p < .01$ ) and perceived CSR practices ( $r = .483$ ,  $p < .01$ ). This indicates that more and more CSR is integrated into the broader goals of the organisation, like strategy and policy, and employee perception of CSR practices has also

increased in the organisation. In addition, as the aspects of CSR strategy policy linkages are well established in the organisation, the perception of the employees towards the CSR practices, as well as employee engagement, increases. Employee engagement has also been found to be significantly positively associated with CSR competence ( $r = .48$ ,  $p < .01$ ) and social/environmental sustainability ( $r = .42$ ,  $p < .01$ ). This means that employee engagement is higher, and the CSR competence, as well as social environmental sustainability practices of the organisation, get a positive rise. The results thus support the following hypotheses:

*H3a: Employee engagement will positively enhance CSR competencies of the organisation.*

*H3b: Employee engagement will positively enhance employee perception of CSR practices.*

*H3c: Employee engagement will positively enhance CSR practices linked with organisational strategy and policy.*

*H3d: Employee engagement will positively enhance CSR linked with social/environmental sustainability.*

Additionally, to explore the behaviour of variables and see their predictive nature, regression analysis was conducted. Employee engagement was regressed over the variables CSR strategy/policy linkages. The CSR strategy/policy linkages variable explained a significant amount of variance in the variable employee engagement [ $R^2 = .256$ ,  $F = 68.74$ ,  $p < .001$ ]. Further, the  $\beta$  value for the CSR strategy/policy linkages variable was found to be substantially significant ( $\beta = .506$ ,  $SE = .061$ ,  $p < .001$ ). The  $\beta$  value of .506 indicates that if CSR integration into the long-term goals of the organisation increases by one unit, it pushes employee engagement by .506 units.

Perceived CSR practices were also found to be positively correlated with employee engagement. Further, to explore the predictive behaviour, regression analysis was conducted and employee engagement was regressed over the perceived CSR practices variable. The perceived CSR practices variable explained a significant amount of variance in the dependent variable employee engagement [ $R^2 = .277$ ,  $F = 38.13$ ,  $p < .001$ ]. In addition, the  $\beta$  value for the perceived CSR practices variable was found to be significant ( $\beta = .309$ ,  $SE = .128$ ,  $p < .001$ ). The  $\beta$  value of .309 indicates that when the perceived CSR practices of the organisation increases by one unit, it pushes employee engagement by .309 units. The other two predictor variables – social environmental sustainability and CSR competence were excluded from the model.

## DISCUSSION

The Indian Companies Act 2013 (Section 135) replaced an older version from 1956. This was indeed a radical step to link

the voluntary and mandatory aspects towards discharging the corporate social responsibilities of Indian organisations. This legal mandate has substantially increased the CSR activity among firms affected by Section 135 (Dharmapala & Khanna, 2018). Manchiraju and Rajgopal (2017) conducted a study to find out how this regulatory change has impacted the firm's shareholder value implications. Their study found that firms voluntarily choose CSR to maximise shareholder value. This is a welcome shift from earlier approaches of Indian firms towards CSR, primarily driven by philanthropy. Through enforcement of CSR provisions of the Companies Act 2013, the government wants to achieve national development goals and also provide an opportunity for the organisations to contribute through their innovative approaches, efficient project planning, and execution and management skills to design CSR programmes and contribute towards social and environmental sustainability.

CSR law has emphasised employee involvement in CSR and building their relevant CSR capacities. To effectively implement the CSR and sustainability agenda of the organisation, organisations must develop internal communication plans to spread awareness of CSR and sustainability among employees. Kataria, Kataria and Garg (2013) conducted a study on employees of a manufacturing concern in India to gauge employees' perception regarding communication concerning an organisation's sustainability practices and its effectiveness. The study revealed that employees have a high level of awareness about the organisation's sustainability initiatives and organisations shall frame communication strategies to engage employees in sustainability initiatives. Rupp et al. (2018) mentioned employees as potential agents of social change, whose efforts are enabled through CSR initiatives that are expected to meaningfully impact stakeholders, as well as strengthen their own beliefs about the efficacy of organisational CSR initiatives, thereby boosting engagement. De Roeck et al. (2016) explored how perceived CSR affects employees' organisational identification. Their findings indicate that perceived CSR interacts with overall justice to predict organisational identification through successive mediation of perceived organisational pride and perceived external prestige.

It is important to continually focus on CSR communications within the organisation. Effective CSR communication is essential for effective stakeholder relationships. Employees' CSR awareness of CSR initiatives influences job satisfaction and engagement in a positive manner (Raub & Blunschi, 2014). Chaudhri (2016) conducted a study on large domestic and global corporations in India, and examined the role of communication imperative in connection to corporate social responsibility. The study suggested an important and multi-dimensional role of CSR communication and highlighted the need for improvement and balance in communicating CSR

initiatives of the organisations. Further, Du, Bhattacharya and Sen (2010) mentioned that stakeholders' low awareness about the organisations' CSR initiatives impedes deriving business benefits from CSR initiatives. Therefore, it is critical to effectively communicate about CSR to stakeholders. Farrukh, Sajid & Lee (2019) studied the moderation effect of gender on the CSR-employee engagement relationship. They found a stronger relationship between CSR and women than men. The study confirms the importance of CSR in nurturing employees' positive work behaviour. The researchers suggest the incorporation of CSR in a business to the maximum possible capacity.

Sharma and Tiwari (2018) found that although Indian organisations are good at CSR activities, formal policies and procedures to involve the employees in CSR activities were lacking. An alignment of CSR and HR policy will enable employees become involved in CSR activities. The opportunities of volunteering in companies' CSR programmes, as well as using their professional expertise towards providing services to those who are unable to afford them, help develop a positive perception and connect the employees to their organisation.

CSR has evolved to be a strategic business management concept. In its present form, CSR is an all-inclusive approach unified with the core organisational business strategy for addressing the social and environmental impacts of businesses. CSR initiatives of an organisation play an important role in harnessing the employee's engagement. The present study was focused on mutually leveraging CSR as well as employee engagement aspects in the organisational context. This is an encouraging trend that more and more Indian corporates are undertaking CSR projects and activities linked with stakeholder needs, which are aligned with the United Nations' Sustainable Development Goals (SDGs) of 2030 to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. CSR initiatives involving employees closely linked with the organisations' CSR policy supported by effective communication positively influence the perception of the employees within the organisation. Sustainable CSR programmes need to be aligned strategically with the company's business model and recognise the issues which matter to the customers. It is important that the planning and execution of the initiatives of the CSR projects is done in a meticulous way.

## **CONCLUSIONS AND THE WAY AHEAD**

Organisations have expertise in carrying out CSR, following Schedule VII, and Sustainable Development Goals. Highly engaged employees were found to have a higher positive perception about organisational CSR practices, followed by the moderately engaged, passive, and disengaged. A

majority of the organisations have been found to carry out CSR activities on a need basis/ad hoc basis, and in a passive manner, along with activities in the project mode. It should be taken up in the long-term programme mode.

Highly engaged employees are having a higher positive perception of CSR practices, followed by the moderately engaged, passive, and disengaged. The highly engaged employees are having a higher positive perception of CSR competence, followed by the moderately engaged, passive, and disengaged. It was found that highly engaged employees are having a higher positive perception of social environmental sustainability, followed by the moderately engaged, passive, and disengaged. Highly engaged employees are having a higher positive perception of CSR strategy policy linkages, followed by the moderately engaged, passive, and disengaged. Most of the sampled organisations encourage their employees towards active participation in CSR programmes. Opportunities are in terms of volunteering, as well as providing pro-bono services.

The approach of organisations towards CSR has changed drastically in the last few decades. Although for Indian corporates, CSR still remains largely focused on community development, it is gradually becoming more strategic. With a well-designed CSR programme, an organisation can achieve a balance between economic, environmental, and social obligations, while at the same time addressing the expectations of shareholders and stakeholders. The government shall also encourage the corporates to explore new areas specific to the needs of the stakeholders, and use organisational capabilities in the areas of innovation, creativity, and planning as well as execution, and excellence in designing and implementing CSR projects.

Considering the organisation's relationship with its stakeholders, it is important to integrate CSR into its core operations. If the bridge can be built among the employee-organisation-society, this can produce positive benefits to individuals, organisations, and the society at large. It is highly recommended that organisations focus on CSR interventions in the project or programme mode to have a more positive and strategic impact, and to create an emotional connection with the societal issues that contribute the maximum to the spirit of CSR. The corporates should be given liberty to choose the areas where they should focus, rather than taking up only government-mandated community-focused initiatives. Another area where further studies can be undertaken is in the area of impact assessment of CSR programmes. The corporates need to understand whether their CSR projects are delivering the intended benefits. Procedure to understand/evaluate how the community development activities are undertaken, the benefits accrued to communities, along with gaining insights for formulating and improving the CSR activities in the future need to be studied.

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