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## Measuring the Impact of Corporate Social Responsibility on Employee Performance among Haryana employees

**Dr. kanika Garg\*, Ms. Ritika, Ms. Manvi Tyagi**

*Assistant Professor, Tilak Raj Chadha Institute of Management and Technology, Yamuna Nagar,  
Haryana*

*MBA, Tilak Raj Chadha Institute of Management and Technology, Yamuna Nagar, Haryana*

### **Abstract**

In today's era employee performance plays a significant role in every sector. An employee is a vital element of every organization. A company should adopt CSR approach also for the betterment of employees performance. Business in India has now started consolidating corporate social responsibility initiatives with their business strategies. The objective of this study is to measure the impact of corporate social responsibility on employee's performance. In order to attain the objective 120 respondents, who were employees of Haryana? To fulfill the objective descriptive statistics have been used. The study concludes that corporate social responsibility positively influences the employee's performance. The study also believes the corporate social responsibility approach had direct and indirect effect on the business and employee's performance. That's why every organization invest huge amount on employee development.

**Keywords:-** Employees performance, consumer social responsibility, employee's development, employees' productivity, job satisfaction, commitment.



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## **INTRODUCTION**

Nowadays corporate social responsibility has increased globally which provide economic, social, & environmental facilities to local community (Saleem et .al 2020). A recent global survey shows that CSR increases the performance of employees. (pascal.et. al 2010). An employee is a vital element of every organization. Therefore, success or failure relies on employee's performance. That's why every organization invest huge amount on employee development (Hammed and Waheed, 2011). Business in India has now started consolidating corporate social responsibility initiatives with their business strategies. In recent era companies have particular departments to monitor the CSR activities, which arrange CSR policies & strategies, businesses also set distinct goals & budgets for CSR activities. (Chaitanya,2022) CSR balance many different perspectives & issues like a corporate citizenship business ethics, social contract, & environmental sustainability. It also contributes to the sustainable development by improving the quality of life with workers, their families the local community & Shareholders (John et al.2019) Employees' participation in corporate social responsibility (CSR) is a way or Channel which not only helps businesses convey their social responsibility messages but also, it helps in the long run, increases shareholders and organization relationships and improve corporate image. (Che Hsieh et al.2021). When companies' goals are realistic it gives support and encourages employees to achieve their goals. Thus, management has to take positive steps to develop organizational strategies, internal environment, legal dimensions and internal control to manage their employee's performance. (Saleem et al.2020).

### **Corporate Social Responsibility**

Responsibility can be defined as corporate actions addressing certain issues which are beyond the scope of its narrow, technical economical and legal requirements CSR is a form of corporate investment which is characterized by a dual orientation to improve the social welfare and stakeholders' relations. (Pascal et al.2010). During the past few decade's businesses have come under pressure to pursue socially responsive behavior for various number of stakeholder groups



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including employees, shareholders, consumers, investors, and managers because it provides great opportunities to businesses. (S Brammer et al.2007). (S Cychota et al.2016) found that employee's egoistic and organizational behavior motives, as well as their attitudes were all positively related to CSR approach.

### **Employee performance**

Employee is a blood stream of any business. The accomplishment or disaster of the firm depends on its employee performance (Elnaga and Imran,2013). Employee performance evaluation is designed to assess each individual's contribution to the organization. (Islam and Mohd Rasad ,2006). Employee's performance will affect organizational effectiveness. The management of employee performance is regarded as an essential function of organizational managers. Employees' individual and collective performances play a vital role in helping organizations to achieve their overall institutional objectives. (Mike Schraeder and Mark Jordan). (Sun and Robert Yu, 2015) found that there is a positive relation between CSR and Employee's performance. Better the CSR measures better would be the results.

### **Purpose of the Study: -**

This research aims to examine the relation between corporate social responsibility and employee's performance. Impact of corporate social responsibility on employee's performance



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### **Review of literature**

#### **Corporate Social Responsibility: -**

According to (Bashir.et al.2012) Corporate social responsibility approach positively impacts employees' performance towards the organization which results into better level of organizational belongingness and job satisfaction among employee's that, automatically improve organizational productivity. As per (Sanusi and Johl, 2020) study also offers a good corporate social responsibility strategy by which managers of various organizations can identify appropriate employee engagement interest for their better performance. Meanwhile (S Cycyota.et al.2016) suggest that many renowned companies specifically link corporate social responsibility strategy with their employee's interest. These companies utilize same practices to encourage and support their employee's performance. (Liu.et al.2021) shows that CSR approach is positively related to employee's performance, employee's interest, behavior creates the link between CSR approach and employee performance. (Nejati and Ghasemi, 2013) concluded that employees show better and higher commitment when working in socially responsible company. which can ultimately lead to improve productivity and efficiency of the organization. (Donia and Sirsly, 2016) found that CSR initiative provide benefit to stakeholder is always better than doing nothing at all societal level, the danger of the negative attitudes and behaviors can be evaluated by the better CSR approach. (John et al.2019) depicted that corporate social responsibility influence employees' workplace behavior, findings show that organization's social initiatives have impact on employee's behavior. If employees perceive organizational CSR approach positively, it will boost employees' pride toward the organization. The study findings have several practical implications. (Pascal et al.2010) observed that CSR can influence social identification processes and social exchange dynamics within the organization. Also, how CSR approach stimulate workplace attitude and behaviors which ultimately foster organization as well as employee's performance.



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### **Employee's Performance: -**

(Sun and Robert Yu, 2015) suggested that employees work with more productivity in socially responsible corporations and employees are willing to work for less when they work for these types of companies. Study uses least squares regression to identify the relationship between employee performance and corporate social responsibility (CSR). Results also indicates positive relation between both. According to (Ali.et al.2010) study analyzes the influence of corporate social responsibility on employee's organizational commitment and employee's organizational performance. Study shows that CSR enhances employee organizational commitment and organizational performance. Meanwhile (Boadi.et al.2020) depicted research model which link employee perception of (CSR) with their performance outcomes and organizational pride (ORP). Study shows employee's perceptions of CSR approach positively relates to their ORP and Performance. (Nguyen.et al.2020) founded that the corporate social responsibility approach had direct and indirect effect on the business and employee's performance. Research results propose various recommendations to increase the efficiency of organization by improving corporate social responsibility towards employees in country like Vietnam. (Karsten.et al.2012) investigated the moderating impact of various Global leadership and Organizational Behavior Effectiveness. Results showed that corporate social responsibility (CSR) positively relate to employees' performance commitment. (Bashir, et al.2012) concluded that organization's corporate social responsibility activities positively affect employees' attitude towards the corporations. Which ultimately results into better level of job satisfaction and organizational belongingness among them which, in turn improves organizational as well as employee's productivity.



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## **Material & Methods**

### **Objective: -**

To measure the impact of Corporate social responsibility on Employee's performance

### **Research design: -**

Descriptive research has been used to measure the impact of Corporate social responsibility on Employee's performance

### **Participants: -**

To analyse the Corporate social responsibility on Employee's performance, the study selected respondents of employees from Haryana.

To collect the data convincing sampling has been used. The study selected 200 employees as a total population, after the data clearing process 120 respondents' data have been used.

### **Sample size: -**

To achieve the objective 120 respondents who are presently working in companies in Haryana.

### **Tools and data collection procedure: -**

To achieve the objective standardized questionnaire has been used

The data was collected in the form of standardized questionnaire on a likert scale 5.0 rating scale. The employees who are working manager, general manager, branch manager for obtaining data, firstly questionnaire was administrative in front of employees. After this respondent were able to respond the questionnaire.

### **Measuring instruments**

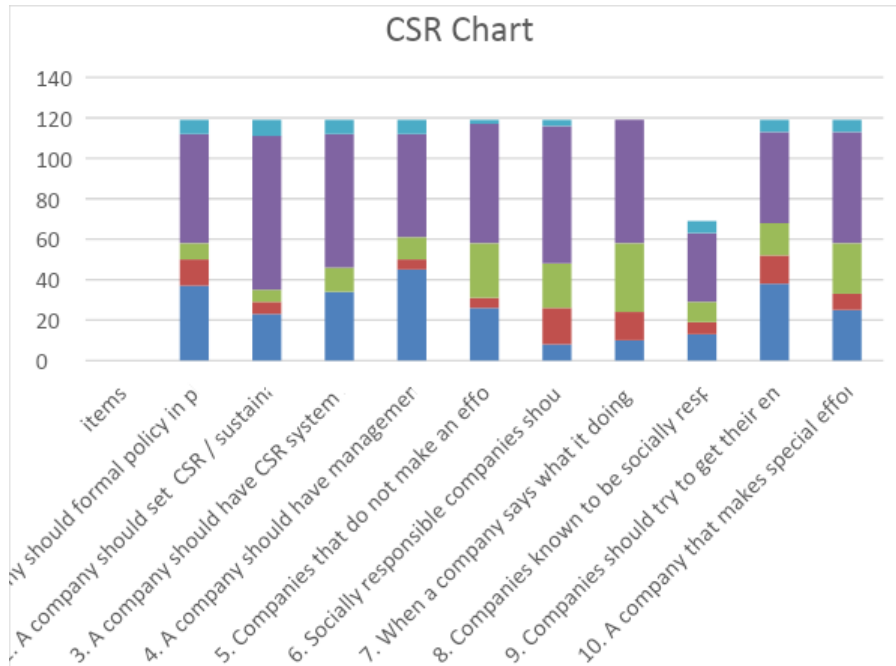
#### **Data analysis: -**

In order to fulfil the objective descriptive statistics regression analysis has been used.



Column1	Column2	Column3	column4	column5	column6
items	strongly disagree	disagree	neither agree or disagree	agree	strongly agree
1. A company should formal policy in place regarding business eithics	37	13	8	54	7
2. A company should set CSR / sustainability requirements towards suppliers.	23	6	6	76	8
3. A company should have CSR system.	34	--	12	66	7
4. A company should have management system in place to manage the working conditions and human right issues.	45	5	11	51	7
5. Companies that do not make an effort to be socially responsible are at greater financial risk than companies that do.	26	5	27	59	2
6. Socially responsible companies should focus exclusively on generating revenue and serving customers.	8	18	22	68	3
7. When a company says what it doing to be socially responsible, I tend to believe them.	10	14	34	61	--
8. Companies known to be socially responsible can recover from crises better.	13	6	10	34	6
9. Companies should try to get their employees to participate in social responsibility efforts.	38	14	16	45	6
10. A company that makes special efforts to be socially responsible through donation and charities and causes, but doesn't make efforts to be socially responsible in its operations every day, is not being truly socially responsible.	25	8	25	55	6

**Table CSR 1.1**



**Interpretation**

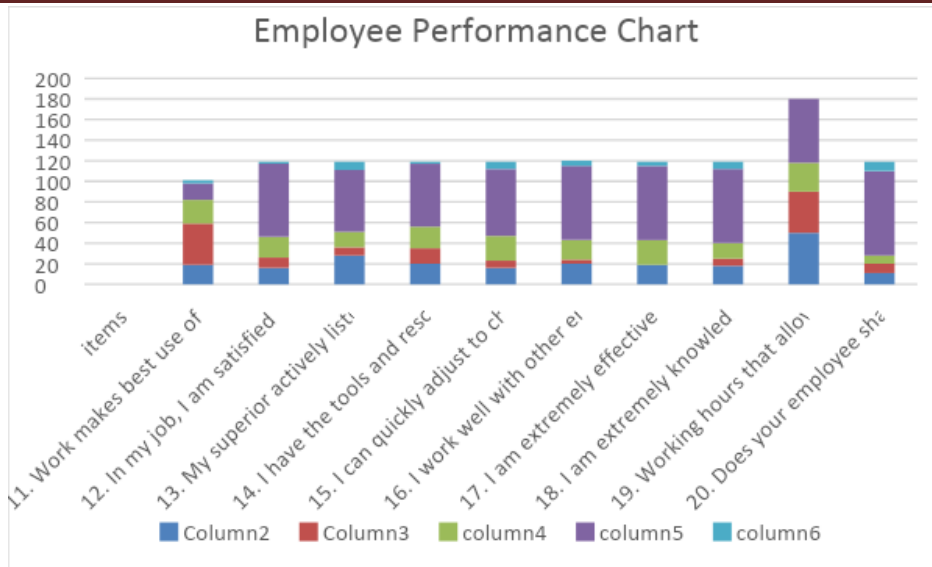
From the above the above table respondents think companies should have CSR sustainability requirements towards supplier (76). Also, they think that socially responsible companies generate more revenues (68). They think to cope up with recent scenario a company should have CSR system (66). While some of them responded that companies having CSR system can recover from crises better (4). According to the table respondents think they tend to believe in socially in socially responsible companies (34). While other think that companies who do not use CSR system bears financial risk (27). They feel if companies just pretend and do not really focus on social responsibility (25). people think that socially responsible companies focus more on generating more revenue (19). They think company should get their employees to participate in socially responsible efforts (14), sometimes they feel that when company says they are socially responsible people tend to believe them (14).





Table Employee's Performance 1.2

items	strongly disagree	disagree	neither agree or disagree	agree	strongly agree
11. Work makes best use of my abilities.	19	40	23	16	3
12. In my job, I am satisfied with how often I take part in problem solving.	16	10	20	71	2
13. My superior actively listens to my issues and suggestions.	28	8	15	60	8
14. I have the tools and resources; I need to do my job.	20	15	21	61	2
15. I can quickly adjust to changing priorities.	16	7	24	65	7
16. I work well with other employees.	20	4	19	72	5
17. I am extremely effective at my job.	19	--	24	72	4
18. I am extremely knowledgeable about my company goals.	18	7	15	72	7
19. Working hours that allow me enough time with family and time to pursue other strong interest.	50	40	28	62	--
20. Does your employee share responsibility with other employees for task	11	9	8	82	9



**Interpretation: -**

From the above table respondents says they share their work with other employees (82). They work well with other employees (72). They feel extremely effective at their job (72). While some of them think work makes best use of their abilities (16). Most of the respondents think that working hours provide them enough time with family and to pursue some other interest (29). Employees says they work well with other employees (24). Allotted work makes best use of their abilities (23). While some of the employees share responsibilities with other employees. According to this table employees feel work utilize their abilities (40). They feel satisfied how often they take part in problem solving (10). Employees have tools and resources need to their job (4). Respondents says superiors actively listen to their issues and suggestions (15). While few of them think they can quickly adjust to changing priorities (7).



**Table 2. Regression Analysis for measuring the impact of Corporate social responsibility on Employee's performance**

**Table 2.1 Represents the Model Summary of Employees**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.580 <sup>a</sup>	.336	.331	.522

a. Predictors: (Constant), AverageCSR

The table 2.1 shows R and R square values. The R values represent the simple correlation and are .580<sup>a</sup> which indicates a positive correlation among corporate social responsibility and employee's performance. The R square value (.336) indicates 33.6% of the total variation in the dependent variable employee's performance can be explained by the independent variable corporate social responsibility.

**Table 2.2 Represents the analysis of variance of employees**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.151	1	16.151	59.314	.000 <sup>b</sup>
	Residual	31.860	117	.272		
	Total	48.011	118			

a. Dependent Variable: AverageEP

b. Predictors: (Constant), AverageCSR

The ANOVA table 2.2 indicates the regression model and predicts the dependent variable as well. The ANOVA table represents the statistical significance of the regression model where the p-value is 0.00 which is less than 0.05, indicates the regression model is significantly predicts the outcome variable, i.e., it is good fit of the data



**Table 2.3 Represents the Unstandardized Coefficients of Employees**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	1.044	.166		6.279	.000	.714	1.373
AverageCSR	.585	.076	.580	7.702	.000	.434	.735

a. Dependent Variable: AverageEP

The coefficient table 2.3 predicts the impact of corporate social responsibility on employee's performance as well as determine whether corporate social responsibility contributes statically significantly to the model.

Analysis depicts that the corporate social responsibility has impact on employee's performance in the organization. On the basis of obtained data values which interpret that CSR has the positively significant impact on employee's performance with 95.0% confidence interval.

### Discussion

In a current scenario corporate social responsibility corporate social responsibility has increased globally which provide economic, social, & environmental facilities to local community (Saleem et .al 2020). In recent era companies have particular departments to monitor the CSR activities, which arrange CSR policies & strategies, businesses also set distinct goals & budgets for CSR activities. (Chaitanya,2022) CSR balance many different perspectives & issues like a corporate citizenship business ethics, social contract, & environmental sustainability. It also contributes to the sustainable development by improving the quality of life with workers, their families the local community. & Shareholders. (John et al.2019). (Sun and Robert Yu, 2015) found that there is a positive relation between CSR and Employee's performance. Better the CSR measures better would be the results. The objective of this study is to measure the impact of corporate social responsibility on employee's performance. (S Cycyota.et al.2016) suggest that many renowned



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companies specifically link corporate social responsibility strategy with their employee's interest. These companies utilize same practices to encourage and support their employee's performance. (Liu.et al.2021) also believes that CSR approach is positively related to employee's performance, employee's interest, behavior creates the link between CSR approach and employee performance. Study of (Ali.et al.2010) analyzes the influence of corporate social responsibility on employee's organizational commitment and employee's organizational performance. Study shows that CSR enhances employee organizational commitment and organizational performance. (Nguyen.et al.2020) also founded that the corporate social responsibility approach had direct and indirect effect on the business and employee's performance. Which ultimately results into better level of job satisfaction and organizational belongingness among them which, in turn improves organizational as well as employee's productivity. (John et al.2019) studied that Employees' participation in corporate social responsibility (CSR) is a way or Channel which not only helps businesses convey their social responsibility messages but also, it helps in the long run, increases shareholders and organization relationships and improve corporate image.

In present study (Bashir, et al.2012) concluded that organization's corporate social responsibility activities positively affect employees' attitude towards the corporations. Which ultimately results into better level of job satisfaction and organizational belongingness among them which, in turn improves organizational as well as employee's performance. In a recommendation if employee's given a chance to participate in the organization or in decision making more and more, they will feel motivated and dedicated then their performance will automatically increase. If every company use corporate social responsibility towards employee's their foremost priority is to give training/seminar/workshop after reviewing the performance of employees. Some limitations will need to be addressed by future researchers the first limitation that analysis from this is being a student it was difficult to fill out the questionnaire from various employees in Haryana because of time constraint.



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