ABSTRACT

A growing number of studies have investigated the various dimensions of Corporate Social Responsibility (CSR) in the literature. However, relatively a few studies have considered its impact on employees. Companies have begun to recognize that stakeholders including society at large are not simply recipients of corporate philanthropy, but partners with a legitimate stake in company operations. One of the critical stakeholders of any organization has been the employee.

The employee determines his/her identity from the image of the organization. If there is a linkage between CSR activities and employees work attitudes; then can the ineffective use of CSR policies influence employee’s perception towards organizational commitment? The researcher has used exploratory research design to answer this research question.

The purpose of this study is to analyze whether CSR affects the organizational commitment of employees based on the social identity theory (SIT). The Study was conducted Top Level and Middle Level Employees of Companies in Pune which conduct CSR activities. Self-administered questionnaires were filled by the employees. The questionnaires were filled by 1030 employees and 5 questionnaires were discarded due to incomplete information. Hence the final number of usable questionnaires was 1025. All the respondents belonged to the managerial grade from M1-M5.

As predicted, the findings from the study indicated significant positive correlations between CSR and employee commitment. The perception of employee beliefs towards CSR initiatives had significant impact on the commitment of the employees. Based on the literature, four hypotheses were tested through correlation, t-test, One way ANNOVA and regression analysis.

The results indicate that employees prefer to work with socially responsible organizations and their organizational commitment level is positively affected by the CSR initiatives. It is an important study in the context that it provides management insight about employees’ behavior with regards to CSR.