

Today's Students – Tomorrow's Managers – A Study on Undergraduates' Attitudes towards Corporate Social Responsibility

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Abstract

This study explores the awareness level of engineering students on corporate social responsibility (CSR) as these students engineer future world. A sample of 155 Engineering students studying final year in Hyderabad were surveyed. Four CSR dimensions - Employee welfare, helping the poor, Environmental Protection, Protect the interests of Customers were studied. Significant differences were found in respondents' awareness of the CSR dimensions based on gender. Implications, recommendations, limitations are discussed.

Keywords: Corporate Social Responsibility, Engineering Students, Business Environment

INTRODUCTION

Due to the changes in dynamics of Business environment, all type of organizations are currently more concerned for building up their image and conveying that they are helping to meet the social demands. The developing pattern of CSR (Corporate Social Responsibility) demonstrates that organizations have begun to comprehend the need to accomplish more than profit making and to be a piece of a more noteworthy social solution. Today CSR is viewed as a key to long run achievement, reputation and brand image. Corporate books have comprehended that without sound and prosperous society the business organizations cannot grow.

Students are part of the bouquet of a society, but their role is more important than others. They are integral and essential part of the society and the society is incomplete without the young blood. Therefore, it is said: "Today's youths are the force, hope and leaders of tomorrow", because they are the future of society and country. The students can make companies understand their responsibility towards various stakeholders.

The term "Corporate Social Responsibility (CSR)" can be referred as corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The term generally applies to companies efforts that go beyond what may be required by regulators or environmental protection groups.

Literature review

A study was conducted by Muhammad Adnan Khurshid, Omair Mujahid Malik and Ahmed Ali Soliman (2013) to find out the awareness level of corporate social responsibility (CSR) among MBA students at a major Saudi university. Four CSR dimensions were studied - economic, Legal, ethical, and philanthropic. They found that there was a significant difference in respondents' awareness of the CSR dimensions. Significant awareness differences were also found among respondents based on

gender, working experience. María Del Rosario González-Rodríguez et al. (2016) made a study to find out the relation between background variables, values and Corporate Social Responsibility. The study revealed that that social, educational, and economic circumstances influence human values. Those values in turn influence why different students perceive CSR differently. Peter Arlow (1991) conducted a study to examine the relationships among business ethics, social responsibility, and selected demographic variables such as age, sex, work experience, and academic major. The study found that Business students are no less ethical than non-business students. Females are more ethical and socially responsible than males. Age is negatively related to one's Machiavellian orientation and positively related to negative attitudes about corporate efforts at social responsibility.

Coate, C., & Frey, K. (2000) conducted a study to investigate context (academic vs. business)-based and gender-based differences in accounting students' ethical intent. They found mixed support for gender-based mean differences; these results are consistent across context. With regard to context, they found a greater variability in respondents' behavioral intent in an academic context relative to a business context. They also found gender-based differences in how ethical issues are grouped (that is, the perceived cognitive structure of ethical issues).

Rugger, D., & King, E.W. (1992) conducted a study to determine whether age or gender played a role in a person's perception of proper ethical conduct. Their study suggested that gender is a significant factor in the determination of ethical conduct and that females are more ethical than males in their perception of business ethical situations.

Objectives

- To find out the level of awareness & opinion of Engineering Students on CSR
- To find out whether the opinion of Engineering Students on CSR is different among male and female students.

Research Hypothesis

H1: The opinion on employee welfare under CSR will be different among male and female students.

H2: The opinion on Helping the Poor under CSR will be different among male and female respondents.

H3: The opinion on Environment Protection under CSR will be different among male and female participants.

H4: The opinion on Customer Protection under CSR will be different among male and female students.

Data collection and Analysis

For this study, a sample of 155 Engineering Students was chosen with Convenient Sampling technique from various Engineering Colleges. The questionnaire consists of 30 questions, of which first ten questions measure the awareness of CSR and four variables (Employee welfare, helping the poor, Environmental Protection, Protect the interests of Customers) and five questions from each variable measure their Perceived Importance. The data has been collected through a questionnaire. Respondents are asked to give their response on a scale from on a five-point Likert-type scale ranging from 1 ("Strongly Disagreed") to 5 ("Strongly agreed"). The data on Perceived Importance of four variables of CSR is collected through their response on a five-point Likert-type scale ranging from 1 ("not important at all") to 5 ("very important"). When tested the reliability of Questionnaire using Cronbach's Alpha, all variables were found reliable. Applied statistical tools include Cronbach's alpha, Descriptive Statistics, and Regression.

Data Analysis and Interpretation

Reliability Statistics

Table 1: show the reliability statistics. The Cronbach's Alpha was calculated for each variable individually. All the variables in this study were showing Alpha greater than 0.60. Hence, the questionnaire was found valid.

| Table 1 : Reliability statistics | | |
|---|--------------|------------------|
| Variable | No. of items | Cronbach's Alpha |
| Awareness on CSR | 10 | 0.61 |
| Employee Welfare | 5 | 0.715 |
| Helping the Poor | 5 | 0.616 |
| Environmental Protection | 5 | 0.675 |
| Protecting the interests of Customers | 5 | 0.63 |

Respondents' opinion on CSR

The following tables 2-11 shows the opinion of the students on Corporate Social Responsibility.

| Table :2CSR activities are done for publicity | | | | | |
|--|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 15 | 30 | 60 | 20 | 30 | 155 |
| 9.7 | 19.4 | 38.7 | 12.9 | 19.4 | 100.0 |

Above Table: 2 shows that around 32 percent of the respondents agreed that CSR activities are done by companies for publicity. Around 29 percent of the respondents have disagreed for the same. However, 39 percent of the respondents have neither agreed nor agreed for the statement. It is evident there is a mixed opinion about whether CSR activities are done for publicity.

| Table :3CSR activities increase image of the company | | | | | |
|---|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 0 | 5 | 15 | 75 | 60 | 155 |
| 0.0 | 3.2 | 9.7 | 48.4 | 38.7 | 100.0 |

Above Table: 3 shows that majority of the respondents (87 percent) have agreed that CSR activities increase image of the company. It is evident that there is a strong opinion that companies can enhance their image through helping to the society.

| Table :4CSR comes under ethical values of the company | | | | | |
|--|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 10 | 15 | 35 | 65 | 30 | 155 |
| 6.5 | 9.7 | 22.6 | 41.9 | 19.4 | 100.0 |

From the above Table: 4, it is seen that majority of the respondents (61 percent) have agreed that CSR comes under ethical values of the company. However, 22 percent of the employees have neither agreed nor disagreed about this. It is clear that students feel that helping the society through CSR activities is a part of business ethics of the company.

| Table :5 CSR activities should be done by only big MNCs | | | | | |
|--|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 40 | 50 | 35 | 30 | 0 | 155 |
| 25.8 | 32.3 | 22.6 | 19.4 | 0.0 | 100.0 |

From the above Table: 5, it is found that around 61 percent of the respondents have disagreed that CSR activities should be done by only big MNCs. However, around 23 percent of the respondents have neither agreed nor agreed this. It is clear that students are not feeling that only big MNCs should only do CSR activities.

| Table :6 CSR can't be done by small companies | | | | | |
|--|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 30 | 45 | 50 | 20 | 10 | 155 |
| 19.4 | 29.0 | 32.3 | 12.9 | 6.5 | 100.0 |

Above Table: 6 shows that around 48 percent of the respondents have disagreed that CSR can't be done by small companies. However, 32 percent of the respondents neither have agreed nor disagreed this. It is evident that respondents feel that small companies can also do CSR activities to their level.

| Table :7 CSR activities should be made mandatory for every company by the Government | | | | | |
|---|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 5 | 0 | 30 | 60 | 60 | 155 |
| 3.2 | 0.0 | 19.4 | 38.7 | 38.7 | 100.0 |

From the above Table: 7, it is seen that majority of the respondents (75 percent) have agreed that CSR activities should be made mandatory for every company. However, 19 percent of the respondents have neither agreed nor disagreed with this. It is evident that students feel that Government should make it mandatory to the companies to contribute to the society.

| Table :8 If a company does not have huge profits it need not to spend on CSR | | | | | |
|---|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 5 | 25 | 65 | 55 | 5 | 155 |
| 3.2 | 16.1 | 41.9 | 35.5 | 3.2 | 100.0 |

The above Table: 8 shows that around 42 percent have neutral opinion on the statement that if a company doesnot have huge profits it need not to spend on CSR. However, around 39 percent of the respondents have agreed with this. It is evident that students opine that company need not to contribute for CSR activities if they do not have profits.

| Table :9 If I am a manager, I encourage more CSR activities from my company | | | | | |
|--|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 5 | 0 | 20 | 75 | 55 | 155 |
| 3.2 | 0.0 | 12.9 | 48.4 | 35.5 | 100.0 |

From the above Table: 9, it is seen that around 84 percent of the respondents have agreed that they were manager, they encourage more CSR activities from their companies. Only 12 percent of the respondents are neutral with this statement. It is evident that majority students are concerned about the society and if they are given opportunity, they encourage contributing to society through CSR activities.

| Table: 10 CSR activities are done by the companies to escape from tax payment | | | | | |
|--|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 0 | 35 | 65 | 45 | 10 | 155 |
| 0.0 | 22.6 | 41.9 | 29.0 | 6.5 | 100.0 |

From the above Table: 10, it is observed that majority of the respondents (42 percent) have neither agreed nor disagreed with the statement that CSR activities are done by the companies to escape from tax payment. However, 29 percent have agreed and 23 percent have disagreed with this statement. It is evident that there a mixed opinion in this regard.

| Table: 11 CSR should cover both internal (for employees) and external activities (for society). | | | | | |
|--|----------|----------------------------|-------|----------------|-------|
| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Total |
| 0 | 35 | 65 | 45 | 10 | 155 |
| 0.0 | 22.6 | 41.9 | 29.0 | 6.5 | 100.0 |

From the above Table: 11, it is observed that majority of the respondents (42 percent) have neither agreed nor disagreed with the statement thatCSR should cover both internal (for employees) and external activities (for society).However, 29 percent have agreed and 23 percent have disagreed with this statement. It is evident that there a mixed opinion in this regard.

Hypothesis Testing

| Table: 12 Hypothesis Testing | | | | |
|-------------------------------------|----------------------|---------------------|------------------------|---------------------|
| | Employee Welfare | Helping the Poor | Environment Protection | Protect Customers |
| Chi-Square | 111.129 ^b | 49.032 ^b | 65.968 ^b | 59.677 ^b |
| df | 9 | 10 | 9 | 10 |
| Asymp. Sig. | .000 | .000 | .000 | .000 |

Table: 12 shows the results of Chi-Square test. To test the hypothesis Chi-square technique was applied. Results shown that -

- The opinion on employee welfare under CSR is different among male and female students.
- The opinion on Helping Poor under CSR is different among male and female respondents.
- The opinion on Environment Protection under CSR is different among male and female participants.
- The opinion on Customer Protection under CSR is different among male and female students.

| Table: 13 Respondents' Perceived Importance | | | | | |
|--|----------------|------------------|------------------|------------------------|-------------------|
| GENDER | | Employee Welfare | Helping the Poor | Environment Protection | Protect Customers |
| Male | Mean | 4.28 | 4.28 | 4.18 | 4.25 |
| | N | 40 | 40 | 40 | 40 |
| | Std. Deviation | .616 | .417 | .628 | .461 |
| Female | Mean | 4.50 | 4.03 | 4.20 | 4.10 |
| | N | 115 | 115 | 115 | 115 |
| | Std. Deviation | .627 | .600 | .660 | .693 |
| Total | Mean | 4.45 | 4.10 | 4.19 | 4.14 |
| | N | 155 | 155 | 155 | 155 |
| | Std. Deviation | .630 | .567 | .650 | .643 |

Table 13 shows response of perceived importance for the four variable of the study - Employee Welfare, Helping the poor, Environment Protection, ProtectCustomers, just as mean values as a measure for perceived importance of every variable. Mean scores are also displayed in Table 13.

According to results, with respect to male respondents' opinion, Employee welfare and helping the poor are given more and equal importance. Next importance is given to customer protection and least importance is given to environment protection.

With respect to female respondents' opinion, Employee welfare is given more importance. Next importance is given to customer protection followed by environment protection and least importance is given to helping poor.

CONCLUSION

In sum, the study reveals that there is a strong opinion that companies can enhance their image through helping to the society. Students are not feeling that only big MNCs should only do CSR activities. They feel that Government should make it mandatory to the companies to contribute to the society. Students opine that company need not to contribute for CSR activities if they do not have profits. Majority students are concerned about the society and if they are given opportunity, they encourage contributing to society through CSR activities.

The opinion on employee welfare, Helping Poor, Environment Protection and Customer protection in CSR is different among male and female students. These results are consistent with the findings of the study conducted by Rugger, D., & King, E.W. (1992).

Male students are more concerned to Employee welfare and helping the poor. Next importance is given to customer protection and least importance is given to environment protection.

With respect to female students, Employee welfare is given more importance. Next importance is given to customer protection followed by environment protection and least importance is given to helping the poor. The findings suggests that gender is a significant factor in the determination of ethical conduct. There is a greater need to focus business ethics instruction based on student characteristics.

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