WHAT ARE EMPLOYEES’ PREFERENCES FOR CSR: - A STUDY OF EMPLOYEE PARTICIPATION IN CSR INITIATIVES AND EMPLOYEE ENGAGEMENT AT ONGC, MUMBAI

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ABSTRACT

With ‘Sustainable Development’ being the new slogan of the business organizations today, the focus of many HR activities also has changed. Along with sustainability of the nature, climate and the society, own sustainability of the businesses also has become vital. Good work by organizations is observed to add to their good image amongst the members of the society and their employees. Call it a marketing effort or anything else, it has proved helpful to businesses to gain profits and reputation in society and among its own employees. While doing so, the HR has taken centre stage with its challenging role in achieving employee engagement and motivation through corporate social responsibility. Organizational programs and policies that address employees’ needs and concerns and demonstrate caring and supportive environment are likely to motivate employees to reciprocate with higher levels of engagement. This in long run reflects in positive results in employee retention and increase in productivity towards the organization. Several businesses are following it and finding new ways of engaging their employees in activities that give positive results to the employer, employees themselves and the society as well.

This research paper attempts to study employee engagement practices specifically corporate social responsibility initiatives of ONGC, Mumbai and also tries to find the perception and preferences of employees toward its various CSR activities.

Keywords: Corporate Social Responsibility (CSR), employee engagement, employee perception, sustainable development

INTRODUCTION

Corporate Social Responsibility and Employee Engagement: With the advent of the era of globalization and cut-throat competition concern of the companies has shifted to Corporate Social Responsibility. “Doing good” seems to be the new slogan for many brands in 2010.

Different concerns define Corporate Social Responsibility differently. World Business Council for Sustainable Development defines Corporate Social Responsibility as “The continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.”

Jamshedji Tata has very beautifully defined the Corporate Social Responsibility “The clear definition of Corporate Social Responsibility is that the community is not just another stakeholder in our business but the very purpose of our existence.”

Employee engagement has taken centre stage in the recent past with a host of organizations giving importance for it. The Gallup organization describes employee engagement as the “involvement with
and enthusiasm for work’. According to Development Dimensions International ‘engagement is the extent to which people enjoy and believe in what they do and feel valued for doing it.’

**Why Should Organizations Consider It?**

Organization policies and practices that demonstrate caring and supportive environment are likely to reciprocate with higher levels of engagement. Employees like to work for socially responsible companies as it gives them the opportunity for personal growth. (Bhattacharya, CB Sen, Savkar & Karschun 2008) This has encouraged many research students and scholars to study various aspects of engagement of employees in the industry.

**NEED OF THE STUDY**

Many organizations are using various ways to engage their employees in organizational activities and strengthen their bond with the organization. This also may create good image about them as a good employer among the employees and also in society. However, it is also important to know the willingness and preferences of employees who participate in socially responsible activities and programs of an organization. This encouraged the research student to undertake a survey to know employees’ preferences and willingness towards the CSR activities of the organization.

**THE STUDY AT ONGC**

The authors had an opportunity to study the corporate social responsibility work of ONGC and few other aspects of employee engagement and involvement there. This article mainly shows the study and findings in the areas of awareness, involvement and preferences of employees in the social responsibility initiatives of ONGC.

**About ONGC**

Oil and Natural Gas Corporation Ltd. has its presence all over India and the world. ONGC, a major public limited company, is also one of the largest companies in India and has a structured CSR policy and model.

ONGC have supported large scale CSR interventions and employee volunteering initiatives in the organizations. Apart from the immense impact it has on employee engagement the sense of belonging and team spirit such programs create, is enriching. Employees who are satisfied with their organization’s commitment to social and environmental responsibility are likely to be more positive, more engaged and more productive than those working for less responsible employers.

Organizations like ONGC can tap and channelize energies on key initiatives that are close to employees’ hearts and have a relevance to the business and their existence. So a study on employee contribution towards CSR was conducted by me in ONGC with some secondary objectives also. The project also deals with the company’s Corporate Social Responsibility (CSR) initiatives and programs. It also provides an insight into various aspects of CSR, and emphasizes the increasing importance of CSR even in developing countries like India.

**OBJECTIVES**

The Corporate Social Responsibility activities of Oil and Natural Gas Corporation are guided by the Corporate Citizenship Policy of ONGC. The project includes evaluating the CSR Activities of ONGC with emphasis on activities namely:

1. Study on the CSR Activities undertaken by ONGC through various NGO’s.
2. Study on the CSR Activities undertaken by ONGC on its own.
3. Evaluating the awareness levels among the employees of ONGC regarding its various CSR Activities.
Primary Objectives

- To understand the Corporate Social Responsibility (CSR) activities of ONGC Ltd.
- To study the employees’ interest level, perception and preferences towards company’s CSR initiatives.

RESEARCH METHODOLOGY

- **Research design:** The research design used for this study is of the descriptive type. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual or a group.
- **Sample size:** The sample size consisting of 70 respondents, which include employees of ONGC posted at Regional office, were selected for the study.
- **Sampling design:** Since it is difficult to contact the entire population, sampling technique was adopted. The random sampling technique forms the sampling design of the project.
- **Questionnaire design:** Questionnaire was designed in consultation with the mentor associated with the project in such a manner that it would facilitate the respondents to reveal maximum information.
- Closed ended questions with few open ended questions are considered so that the study can be simple & the necessary feedback can be easily commented.
- The questions were framed in such a way that it would touch all the aspects to know the various criteria of CSR activity.

Data Collection

Source of data and tool for data collection depends on primary and secondary data.

**Primary Data**

- Questionnaire,
- Personal Interview

**Secondary Data**

- ONGC Annual Report,
- ONGC CSR Guidelines
- ONGC manuals,
- ONGC websites,
- Text books.

The following are the 12 identified focus areas approved by EC:

1. Education including vocational courses.
3. Entrepreneurship (self help and livelihood generation) schemes.
4. Infrastructure support near our operational areas.
5. Environment protection, ecological conservation, promotion.
6. Protection of heritage sites, UNESCO heritage monuments etc.
7. Promotion of artisans, craftsmen, musicians, artists etc. for preservation of heritage, art and culture.
8. Women’s empowerment, girl child development, gender sensitive projects.
9. Promoting sports/sports persons; supporting agencies promoting sports/sports persons.
10. Water management including ground water recharge.
11. Initiatives for physically and mentally challenged.
12. Sponsorship of seminars, conferences, workshops etc.

However, other than the above defined focus areas, projects in the following areas and others which merit consideration may be taken up.

1. Project Saraswati.
2. Strengthening of ONGC PURA trust and activities accordingly.
3. Disaster relief in the face of natural calamities faced by the society, particularly around our work centers.
4. Component Plan based activities to be booked under CSR.
5. Expenditure on KV’s and others schools would be booked under education.

**Organizational Structure at Work-Centers**

Head-HR/ER shall continue to be responsible FPR (First person responsible) for CSR programs at the respective work-centre locations as envisaged in the CCP. Head-HR/ER shall be assisted by a full-time CSR Coordinator. At locations where CSR budget layout exceeds Rs. 5 Crore, one Assistant CSR Coordinator may also be posted to CSR Cell.

**Organizational Structure for CSR Cell - Work-centre Level**

Key Executive Asset / Basin / Plant/RO

I/C HR/ER

CSR Cell
*CSR Coordinator (E5)
**Asst.CSR Coordinator(E2-E4)

Multidisciplinary Committee with representatives from
- Line functions
- Finance
- HR
- CSR Coordinator

*CSR Coordinator at work centre will functionally report to Chief CSR - Corporate
** Wherever CSR budget exceeds Rs. 5 crore
The survey was having a major part to know about the time schedule for CSR activity apart from the employee’s daily routine. Majority employees prefer to have a separate period for conducting CSR activities other than weekend, which can be held for a week or for a day in a month. Some employees find CSR activity as a part of their job which keeps going on.

**Conduction of CSR activity in a year**

<table>
<thead>
<tr>
<th>CONDUCTION OF CSR ACTIVITY</th>
<th>No. of Responses</th>
<th>Percentage of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>MONTHLY</td>
<td>23</td>
<td>32.85</td>
</tr>
<tr>
<td>QUARTERLY</td>
<td>29</td>
<td>41.42</td>
</tr>
<tr>
<td>BI-ANNUALLY</td>
<td>5</td>
<td>7.14</td>
</tr>
<tr>
<td>ANNUALLY</td>
<td>5</td>
<td>7.14</td>
</tr>
<tr>
<td>OTHERS</td>
<td>8</td>
<td>11.42</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>70</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

When employees are asking for a separate period or time for conducting CSR, a question was asked to know about the time length. The above histogram shows that many employees think that CSR activity should be held quarterly or monthly. However, for some employee it is an ongoing continuous activity throughout the year.

**Employees’ Priority of CSR Activity among 12 Focus Areas of ONGC**

The survey was having a major part to know about the time schedule for CSR activity apart from the employee’s daily routine. Majority employees prefer to have a separate period for conducting CSR activities other than weekend, which can be held for a week or for a day in a month. Some employees find CSR activity as a part of their job which keeps going on.
top three focus areas that are ranked are Environment, Education and Healthcare respectively. According to this, employees prefer more to contribute in Environment followed by Education and then Healthcare. There is no ranking for Sponsorship of seminars, Sports Promotion, Promotion of arts and Protection of Heritage sites.

According to the second Bar, it provides the information about the second priority ranked by the Employees. As compare to first priority the ranked had been changed from all aspects i.e. in this employee prefer more contribution in Education, followed by Health care and then Environment. The position of ranking unlikely to first priority for all four focus areas are same i.e. NIL.

As per third Bar, the third priority can be ranked amongst top five that are Education, Environment, Healthcare, Women empowerment and Entrepreneurship as well as Infrastructure. This gives a clear picture of the top five ranking that are required for CSR activity. The fourth priority signifies the priorities opposite to rest of the three bars. It states that the employee first prefers more in Healthcare followed by in Water Management and then in Physically and mentally challenged category.

Last fifth Bar explains about the Fifth priority ranked by the employees. According to this, there is much emphasis on Water Management, Women empowerment and Infrastructure compare to all other bars.

Therefore, in overall histogram, the priorities keep on shuffling according to choices of each employee. Each employee ranking is changing according to their preferences they have chosen.

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>1st Priority</th>
<th>2nd Priority</th>
<th>3rd Priority</th>
<th>4th Priority</th>
<th>5th Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>24 34.28</td>
<td>7 10 12</td>
<td>17.14 7 10</td>
<td>6 8.57</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>22 31.42</td>
<td>25 35.71</td>
<td>15 21.42 1</td>
<td>1 2 2.85</td>
<td></td>
</tr>
<tr>
<td>Health care</td>
<td>12 17.14</td>
<td>19 27.14</td>
<td>11 15.71 16</td>
<td>22.85 4 5.71</td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td>3 4.28</td>
<td>5 7.14</td>
<td>7 10 2 2.85</td>
<td>9 12.85</td>
<td></td>
</tr>
<tr>
<td>Physically &amp; mentally</td>
<td>2 2.85</td>
<td>4 5.71</td>
<td>3 4.28 12</td>
<td>17.14 7 10</td>
<td></td>
</tr>
<tr>
<td>challenged</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneurship</td>
<td>2 2.85</td>
<td>4 5.71</td>
<td>7 10 8 11.42</td>
<td>7 10</td>
<td></td>
</tr>
<tr>
<td>Water management</td>
<td>2 2.85</td>
<td>3 4.28</td>
<td>4 5.71 15</td>
<td>21.42 16</td>
<td>22.85</td>
</tr>
<tr>
<td>Sponsorship of seminars</td>
<td>0 0 0 0</td>
<td>0 0 0 1</td>
<td>1 1.42 2</td>
<td>2.85</td>
<td></td>
</tr>
<tr>
<td>Sports Promotion</td>
<td>0 0 0 0</td>
<td>0 2</td>
<td>2.85 1</td>
<td>0 2</td>
<td>2.85</td>
</tr>
<tr>
<td>Promotion of arts</td>
<td>0 0 0 0</td>
<td>0 0 0 1</td>
<td>1 1.42 2</td>
<td>2.85</td>
<td></td>
</tr>
<tr>
<td>Protection of Heritage</td>
<td>0 0 0 0</td>
<td>1 1.42</td>
<td>0 0 2</td>
<td>2.85</td>
<td></td>
</tr>
<tr>
<td>sites</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Women's empowerment</td>
<td>3 4.28</td>
<td>3 4.28</td>
<td>8 11.42 7</td>
<td>10 13</td>
<td>18.57</td>
</tr>
</tbody>
</table>

**FINDINGS**

- Employees are aware of existence of CSR policies and participate in the CSR initiatives by the company.
- Employees are willing to participate in CSR activities of the company conducted on other weekends. The employees are not interested in frequent participation as they prefer quarterly voluntary participation in CSR activity.
- Environment forms the prime focus area among 12 focus areas of CSR followed by Education and Health Care. This shows that majority of the employees are interested in doing CSR activities.
activities in these 3 areas. Sponsorship of Seminars, Sports Promotion, Promotion of Arts and Protection of Heritage, are the 4 focus areas which receives negligible preference in any of the five priorities. The rest focus area receives moderate preference of area of interest among employees throughout the five priorities.

- One of the findings during the overall study is that there are limitations to employees’ awareness about the CSR projects of the organization. They know about the projects only if they are part of it. This shows the gaps in communication of CSR work by the company to its own employees.

To conclude, it may be said that the part of the organization ONGC where this study was conducted are taking great efforts towards performing social responsibility through various initiatives. The employees are involved and engaged in the initiatives and they also are keen and willing to contribute; however, there are certain limitations and preferences which they have towards their engagement in such CSR projects undertaken by the company. The families of existing employees also can be motivated to participate in such CSR projects which may increase the engagement of employees. The CSR work of the company is known to employees who are engaged in it and this shows a scope for improving the overall CSR communication as it may help to improve internal branding of ONGC as an Employer. Internal branding also contributes to strengthening of overall employer brand.

Future Scope

The work in the areas of attitudes and willingness of employees towards corporate social responsibility initiatives of an organization can be further tested by studying the impact of such initiatives on the employer branding and retention and effectiveness of such CSR projects.

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