

## Impact of Corporate Social Responsibility on Employee Engagement – A Case Study of South Central Railways

\*C. Asha

\*\*Dr. G. Manchala

\*Lecturer in Management, Vignana Jyothi Institute of Arts and Sciences, Marredpally, Hyderabad

\*\*Dean, Academics, Vignan Jyothi Institute of Management, Bachupally, Hyderabad.

### Abstract:

The objective of this research was to explore the Corporate Social Responsibility existent in South Central Railways and its contribution in satisfaction of employees and retaining talented personnel. The Satisfaction of employees of South Central Railways has been analyzed with respect to the CSR provided. Being the largest employer in the world, South Central Railways has been chosen as a representative zone to evaluate the Corporate Social Responsibility offered to railway employees in general. South Central Railways is strategically positioned in the southern peninsula, headquartered at Secunderabad, and serves the economically vibrant states of Telangana, Andhra Pradesh, Parts of Maharashtra, Madhya Pradesh and Tamil Nadu. Questionnaire method was used and then the samples were analyzed using the statistical tool, Graphpad prism. Corporate Social Responsibility has been growing rapidly but still we lack a complete understanding of why and how employees are affected by CSR. This study contributes by trying to bridge the gap by exploring the relationship between CSR and retaining engaged employees in South Central Railways.

**Key Words:** Employee Engagement, South Central Railways (SCR), Talented. Sustainability

### Introduction:

South Central Railways (SCR) a modern system of mass transportation fulfilling the aspirations of the passengers/customers and carved a niche for itself in Indian Railways system is one of the biggest railway Zone in Indian Railways covering southern peninsula covering the massive transportation of customer and goods. South Central Railways is strategically positioned in the southern peninsula, with its headquarters at Secunderabad serves the economically vibrant state of Telangana, Andhra Pradesh, Parts of Maharashtra, Madhya Pradesh and Tamil Nadu.

Corporate Social Responsibility is a business approach that contributes to the sustainable development of economic, social and environmental benefits. It is an ethical framework that guides an entity to act for the benefit of the society at large. It is a duty that every individual or organization has to perform so as to maintain a balance between the economy and the eco system.

Employee Engagement is the relationship between an enterprise and its employees. It may be defined as the state where an employee is fully absorbed and feels enthusiastic about their work and so thinks positively for further enhancement of the organization's reputation and growth.

### Review of literature:

A study on "Turnaround of Indian Railways: A Critical Appraisal of Strategies and Solutions" by Indian Institute of Management, Ahmedabad in 2007 called W.P. No. 2007-02-03. It reflected the financial aspect of Railways and how Railways managed to recover its multi crore loss and managed to make profits.

Dr. G. Alivelu Siva Prasad (2008) presented a paper titled "Trends in Productivity across the Indian Zonal Railways 1981-82 through 2002-03" at the Development Convention held in

February 20-22 2008 at Institute of Public Enterprises. It clearly reflected the overall productivity improvement of Railways in the coming years.

Another paper was written on EMPLOYEE WELFARE MEASURES: A STUDY ON EMPLOYEES OF SOUTH CENTRAL RAILWAY by Dr. M. Surat Kumar and Dr. Bindurani R.S. This emphasized on existing welfare measures of South Central Railways and if employees are satisfied with these measures.

**Research gap:**

Review of literature reveals that there is a need to study the relationship between Corporate Social Responsibility and Engaged Employees. Even though several studies have been made on engagement of employees but not much work has been done to showcase the impact of CSR on employee engagement hence further research has to be done on this aspect.

**Objective:**

- 1) To study the relationship between Corporate Social Responsibility and Employee Engagement in South Central Railways
- 2) To determine if Corporate Social Responsibility helps in retaining employees in South Central Railways

**Need for study:**

Many companies have not used Corporate Social Responsibility as a tool to attract or retain talent in their company. They view it as just another passing Management term which is undertaken to be popular among companies. This research paper aims to build the relationship between the Corporate Social Responsibility and its impact in engaging employees.

**Limitations of the study:**

- 1) Study is based mainly on the responses collected from the respondents
- 2) Respondents were hesitating to answer many questions
- 3) Study could not focus on employees of all six divisions of SCR

**Research methodology:**

Primary Data has been collected with the help of structured questionnaire from South Central Railway Employees who were interviewed personally. Study also used secondary data like journals, magazines, books, online data have been analyzed.

The sample size of 90 respondents has been chosen from different departments. Data analysis has been done using percentages and analyzed data has been represented in tables and graphs wherever required.

**CSR and Railways:**

Railways are the most subsidized way of transportation in the country and can't be called a commercial entity as profit is not the motive. Hence private companies are encouraged to spend their CSR funds in Govt organizations specially Railways

There is a proposal for CSR Cell in Railways so that there is greater involvement of corporates in this sector. Addressing a CII summit on CSR on 9<sup>th</sup> August 2016, Railway Minister Mr. Suresh Prabhu said "Railways have a clear out policy on how CSR funds can be used. We are in the process of creating a CSR Cell in railways that already many corporates are typing in this regard". Prabhu favoured involvement of corporate sector in this regard.

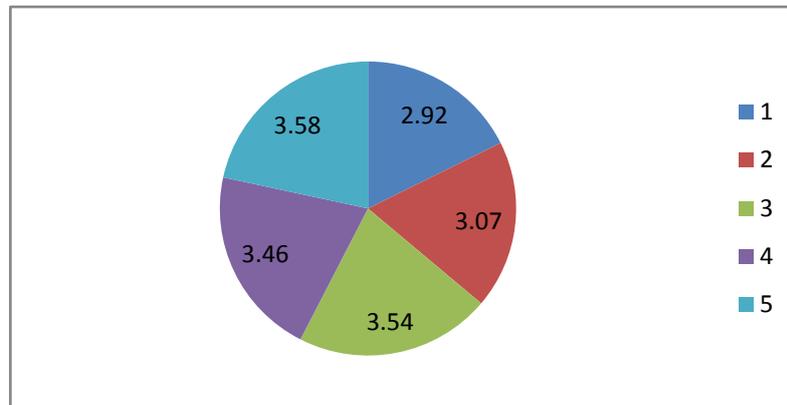
**Impact of CSR on employee engagement:**

CSR's Influence on Employee Engagement The proposition that an engaged workforce leads to a number of positive business outcomes has been well established. There is also a well-

established list of some of the key drivers behind an engaged workforce. This section of the report examines a cross section of surveys, academic studies and other commentary that endeavors to analyze and assess the importance of CSR as an emerging driver of employee engagement.

### Data analysis and interpretation:

Mean scores across 90 respondents are plotted in the pie chart as shown below:



Results indicated relatively higher scores for questions 3 (*Level of involvement of HR/ personnel department is very high in administering welfare activities within the organization*) and 5 (*The welfare measures introduced are aimed to bring a positive change within the various departments in the organization*) while the average scores for question 1 (*You are satisfied with the welfare facilities offered to you as a South Central Railways employee*) was low. While scores for question 4 (*Social events are organized frequently and involves all levels of employees irrespective of their designation/position in the organization*) were high and similar to 5, average scores for question 2 (*With the Computerization of the Welfare benefits and a wholly dedicated website, (<http://www.irwo.in/>), the whole process of communication of welfare facilities to employees has been simplified*) tended to be similar to 1. Results indicate that while employees were satisfied with the overall involvement of HR that brought about a positive change within departments, there appeared to be significant room for improvement as far as the welfare facilities were concerned.

### Conclusions:

As human resource is the most important asset of any organization South Central Railways must ensure that human resource is completely engaged and happy with amenities and facilities provided. The research described in this paper highlight the satisfaction levels of employees with respect to HR policies while providing guidance for the management to address issues related to welfare facilities. Benefits and facilities should reach all employees across departments. South Central Railways should focus on improving the welfare facilities among its employees.

### References:

- 1) Rao VSP, “Human Resource Management Text and Cases”, Second Edition, Excel Books Publications, New Delhi, 2005
- 2) Ashwatappa. K, “Human Resource Management and Personnel Management”. Third Edition, Tata McGraw Hill publishing Company Limited, New Delhi, 2004.
- 3) file:///C:/Users/Lee/Downloads/IRCTC\_CSR\_n\_SD\_Policy.pdf
- 4) SCR Books and Manuals
- 5) Dr P Subba Rao, Essentials of Human Resource Management and Industrial Relations, Himalaya Publishing House, Mumbai (2004)

6) Dr. G. Alivelu Siva Prasad (2008) “Trends in Productivity across the Indian Zonal Railways 1981-82 through 2002-03” at the Development Convention held in February at Institute of Public Enterprises.

7) Surat Kumari, M., and Bindurani, R. S. (2013). Employee Welfare Measures: A study on employees of South Central Railway. International Research Journal of Management Sociology and Humanities, 4:1520-1527.

**Questionnaire:**

1. You are satisfied with the Welfare facilities offered to you as a South Central Railways Employee.

**A      B                  C                  D                  E**

2. With the Computerization of the Welfare benefits and a wholly dedicated website, (<http://www.irwo.in/>), the whole process of communication of welfare facilities to employees has been simplified.

**A      B                  C                  D                  E**

3. Level of Involvement of HR/ personnel department is very high in administering Welfare activities within the organization.

**A      B                  C                  D                  E**

4. Social events are organized frequently and involves all levels of employees irrespective of their designation/position in the organization.

**A      B                  C                  D                  E**

5. The welfare measures introduced are aimed to bring a positive change within the various departments in the Organization.

**A      B                  C                  D                  E**