

Social Accountability: A Comparative Study on Perception of Government and Private Sector Employee's

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Abstract - Social accountability initiatives are now an established part of the governance agenda in India. It deals with the way firms engage with and respond to internal and external stakeholders and it helps to have a much clearer understanding of the need to manage social, ethical and environmental impacts of an organisation. Now-a-days, employees are significantly interested in and more loyal to companies that have a proven commitment to social responsibilities. In this study, an examination has been made to understand the employee's perception toward different issue related to social accountability. This study also assesses the extent to which government and private sector employee's perception are different on issue related to CSR.

Key Words- corporate social responsibility, employee, CSR

I. INTRODUCTION

A corporate social responsibility (CSR) policy is beneficial not only for a corporation's bottom line but also for its employees, stakeholders, consumers, and for communities, the environment and society at large. It is, therefore, imperative to assess and know the extent to which a corporation is socially responsible. Employee engagement has been acknowledged as a key driver of shareholder value in a firm and is becoming a key metric for monitoring corporate performance by Board and management. Generally, there is a growing desire among employees to derive a sense of greater purpose from their work; happier employees with increased job satisfaction can unleash innovation in a firm. Those employees who are aware of CSR policy of a company can act in ways that help the company to reach its CSR goals. So in this, Human resource managers are well positioned to play an instrumental role in helping their organization achieve its CSR goals of becoming a socially and environmentally responsible firm – one which reduces its negative and enhances its positive impacts on society and the environment by counseling of their employee about the CSR policy of the organization. The present study aims to study the knowhow of an employee about the social accountability of a company and what impression they have about a corporate social responsibility of a company.

II. REVIEW OF LITERATURE

Corporate social responsibility often recognized as corporate citizenship, corporate social performance, and corporate social accountability is meticulously explored in recent years by the research scholars. Mohr et al. [1] viewed CSR as “a company's commitment to minimizing or eliminating any harmful effects and maximizing its long run beneficial impact on society”. The present-day CSR (also called corporate responsibility, corporate citizenship, responsible business and corporate social opportunity) is a concept whereby business organizations consider the interest of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders as well as their environment. CSR can involve a range of activities such as working in partnership with local communities, socially sensitive investment, developing relationships with employees, customers and their families, and involving in activities for environmental conservation and sustainability. Turban and Greening [2] reveals that corporate reputation improves its attractiveness towards employee. Reputation has decided impact on employees, and its ability to attract the finest and the brightest. Marken [3] described reputation as “quality product and service, innovative capability, long term investment plan, attraction ability, retention of talent and quality management control.” Research scholars have investigated the influence of corporate social responsibility on various stakeholders including consumers, investors and employees as well. Ali et al. [4] found significant relationship between CSR and employee retention. As a key driver of value in any organization, employees need to be engaged in the task of integrating CSR throughout the firm, helping the firm achieve its CSR goals and adhere to its CSR principles consistent with its strategic business direction.

Under any scenario, it is important that employees have their basic employment needs met before they are called upon to help the organization achieve its CSR goals. To have a high performing team, it is essential that people receive the proper compensation and recognition for their work. One of the top, if not the top, factor driving CSR take-up is the need for businesses to attract and retain high

quality staff to meet current and future demands as identified by 65% of respondents in a global study of privately held businesses conducted by Grant Thornton [5] Generally, there is a growing desire among employees to derive a sense of greater purpose from their work; happier employees with increased job satisfaction can unleash innovation in a firm. The following list provides an overview of the key business benefits and economic value from employee CSR engagement. [6] A survey conducted for the Conference Board of Canada in 2000 found that 71% of employees want to work for companies that commit to social and community concerns. In the UK, 75% of professionals take social or ethical considerations into account when changing employment, while over half of graduates will not work for companies they believe to be unethical [7].

Melcrum [8] has conceived of an employee engagement pyramid (Fig. 1), from “I’m aware of the message”, in which employees are familiar with the CSR strategy and how it helps the company meet its objectives; to “I understand the message” wherein employees learn the reasons behind the company’s CSR objectives and begin to understand their role in making the company successful. The next stage is “I believe”, where employees feel conviction towards the company’s CSR values and objectives, and finally, “I am committed to act”, at the pinnacle of the pyramid. Those employees who are and feel their basic job needs are being met and who achieve this level, will be inspired to act in ways that help the company reach its goals.

The concept of Social Accounting is growing in recognition in the recent times. Social accounting as an approach began developing in the United Kingdom in the early 1970s when the Public Interest Research Group established Social Audit Ltd. This organisation carried out investigations into the operations of the large public companies and publicized them even before obtaining their permission or co-operation. This had led to an increasing awareness of 'Corporate Social Responsibility' (CSR) whereby the success of an organisation is measured not only in its financial performance but also by its social and environmental impact as well.



EMPLOYEE ENGAGEMENT PYRAMID
Figure 1- Employment engagement pyramid [8]

III. RESEARCH METHODOLOGY

An explorative research method is used to study the employee perception towards social accountability of a company. For doing this, a questionnaire having questions of multiple choices and some open ended too, is prepared for collecting the primary data for the employees feedback about the social accountability of the company. Sample size of 100 employees is taken by using random sampling technique for collecting the data. The universe of the study is all the individuals of above 21 and population is the public of Bhiwani region. The questionnaire is divided into two sections i.e. demographic variable and questions related to various objectives. The collected data is tabulated and analyzed using the statistical software SPSS.

IV. RESPONDENT'S PROFILE

Table 1 show the respondents profile and it can be observed that the respondents are from the all age group. However, majority respondents are male (62%). Also, the majority of the respondents are graduate or having higher qualification and only 6% are under graduate. Further it is observed that the occupations of 56% respondents are in government job and 46% are in private sector job.

TABLE 1: DEMOGRAPHIC DATA

Age				Qualification				
		Frequency	Percent			Frequency	Percent	
Valid	18-25	18	18.0	Valid	Under Graduate	6	6.0	
	25-32	30	30.0			Graduate	64	64.0
	32-30	28	28.0			Post Graduate	30	30.0
	Above 40	24	24.0			Total	100	100.0
	Total	100	100.0					
Sex				Occupation				
		Frequency	Percent			Frequency	Percent	
Valid	Male	62	62.0	Valid	Government job	56	56.0	
	Female	38	38.0			Private Job	44	44.0
	Total	100	100.0			Total	100	100.0

V. DATA ANALYSIS

The respondents were asked what you think that child labour should be allowed in companies and it is found that all respondents are against the use of child labour (Fig.2). This is also true as child labour is against the laws and humanities.



Figure 2 - Respondent view on use of child labour in company.

Then it is asked from the respondents whether your organization using forced labour and it is observed that overall 70% of the respondents are agreed that the company is not using the forced labour (Table 2). The opinion is nearly same for both, government and private sector employee. The forced labour de-motivates or down the morale of the employees. Also, forced labour leads to lack of interest in job and dissatisfaction among employees.

Then it is asked from the respondents whether their company paying attention to need to health and safety and 84% of the respondents are agreed on that their company is taking care of their health and safety (Table 3). Further, the

TABLE 2 - DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND FORCED LABOUR USE BY ORGANIZATION

			Occupation		Total
			Govt. job	Private Job	
Q.3. Is your organization using forced labour?	Yes	Count	16	14	30
		% within Occupation	28.6%	31.8%	30.0%
	No	Count	40	30	70
		% within Occupation	71.4%	68.2%	70.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

TABLE 3 - DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND NEED OF HEALTH & SAFETY ISSUE.

			Occupation		Total
			Govt. job	Private Job	
Q.4 Is your company paying any need to health & safety?	Yes	Count	46	38	84
		% within Occupation	82.1%	86.4%	84.0%
	No	Count	10	6	16
		% within Occupation	17.9%	13.6%	16.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

employee working in private job are marginally more in opinion (86.4%) than government job employee (82.1) that their company are taking care of their health and safety. Healthy working environment boost the morale and leads to dedication towards the job among the employees, so most of the company are paying heed to health and safety.

Then it is asked about the satisfaction level of employee from their remuneration and it is found that 44% of the respondents are satisfied with their present level of remuneration while 34% are not satisfied (Table 4). Also 22% of the respondents mention that sometimes they feel satisfied and sometime not might be because of variation in bonus, dearness allowance and yearly increment. When opinion of government and private job employee are analysed separately (Table 4), it is interestingly found that private job employees are more satisfied (68.2%) than government job employees (25%) Generally, the companies provide remuneration according to their skill, knowledge, experience and capabilities.

TABLE 4 - DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND SATISFACTION FROM SALARY.

			Occupation		Total
			Govt. job	Private Job	
Q.5 Are you satisfied with the present level of remuneration provided by the company?	Yes	Count	14	30	44
		% within Occupation	25.0%	68.2%	44.0%
		No	Count	20	14
	Sometimes	% within Occupation	35.7%	31.8%	34.0%
		Count	22	0	22
		% within Occupation	39.3%	.0%	22.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

TABLE 5 - DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND WORKING HOURS.

			Occupation		Total
			Govt. job	Private Job	
Q.6 What should be the total working hours in a socially accountable company?	6-7 hrs	Count	10	0	10
		% within Occupation	17.9%	.0%	10.0%
	7-8 hrs	Count	18	16	34
		% within Occupation	32.1%	36.4%	34.0%
	8-9 hrs	Count	18	20	38
		% within Occupation	32.1%	45.5%	38.0%
9-10 hrs	Count	8	8	16	
	% within Occupation	14.3%	18.2%	16.0%	
More than 10 hrs	Count	2	0	2	
	% within Occupation	3.6%	.0%	2.0%	
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

Then it is asked about the ideal working hours in a socially accountable company and it is found (Table 5) that 38% of the respondents think that ideal working hours should be 8-9 hrs while 34% in favour of 7-8 working hours. In total, majority (72 %) of respondents are in favour of 7-9 hrs working and only 28 % think that time should be higher or lower than 7-9 hours.. Also it is observed that private job employee are in more favour (Table 5) of working for 8-9 hours and they never thought of working hours should be 6-7 hours but some government employee (17.9%) are in favour of 6-7 working hours.

Then it is asked whether company taking care of ideal working hours and found that about 74% of the respondents agreed on that their company took care about the ideal working hours (Table 6) and only 26% against the

statement. The opinion is found nearly same for both types of employees. Also, due to labour laws and regulation all companies have to follow guidelines regarding ideal working hours.

In a question on giving ranking while selecting a job by employee, it is observed from their overall response that the job security is the main criterion for selecting a job and that's why the respondents gave first rank to the stability of the job. The second rank is given to the designation followed by third rank to salary and fourth rank to social performance of company (Fig. 3).

TABLE 6- DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND COMPANY CARE TOWARDS IDEAL WORKING HOURS.

			Occupation		Total
			Govt. job	Private Job	
Q.7. Is your company taking care of the ideal working hours?	Yes	Count	42	32	74
		% within Occupation	75.0%	72.7%	74.0%
	No	Count	14	12	26
		% within Occupation	25.0%	27.3%	26.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

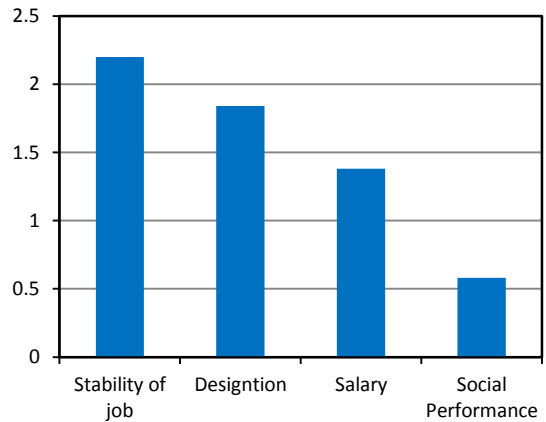


Figure 3 – Ranking of preference while selecting a job.

In can also be observed from the Table 7 that government job employees consider stability the most important and then designation whereas designation is considered to be most important for employees working in private job and then stability as private job employee frequently changes their job. Social performance of a company is least considered by both segment of employees.

TABLE 7- MEAN OF RANKING FOR PREFERENCE WHILE SELECTING A JOB.

	Occupation		
	Govt. job	Private Job	Total
Salary	2.46	2.82	2.62
Stability of job	1.61	2.05	1.80
Designation	2.43	1.82	2.16
Social Performance	3.50	3.32	3.42

When it is asked about the opinion of the respondents about the effective means of communicating your demands to the management, 38% of the respondents answered that for communicating the demands to the management, employee should contact individually whereas 34% of the respondents consider the communicating through employee’s union is better means to put their demands (Table 8). Further, 20% respondents consider the groupism while only 8% consider the contact through government means i.e. through judiciary for putting their demands to the management.

It can also be observed from Table 8 that the employee working in government job are in more favour (53.6%) of communicating individually than who are working in private job (18.2%). Whereas the private job employees are in more favour of communication either through union(45.5%) or in groupism (27.3%). Communicating through government is least preferred by both type of employee as it is a very slow process.

About the satisfaction level of employee, it can be observed from Table 9 that 78% of the respondents are satisfied with their job while only 22% shows dissatisfaction from their job. Further, it can be observed that private job employees are slightly more (81.8%) satisfied than government job employee (75%). Actually satisfaction from job comes from the job security, designation, healthy environment and due rewards provided by the company to their employees.

TABLE 9- DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND JOB SATISFACTION.

	Occupation				
	Govt. job	Private Job	Total		
Q.10 Are you satisfied with your job?	Yes	Count	42	36	78
		% within Occupation	75.0%	81.8%	78.0%
	No	Count	14	8	22
		% within Occupation	25.0%	18.2%	22.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

TABLE 8- DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND EFFECTIVE COMMUNICATION MEAN FOR DEMANDS TO MANAGEMENT OF A COMPANY.

	Occupation				
	Govt. job	Private Job	Total		
Q.9. What can be effective mean of communicating your demands to the management of the company?	Individual	Count	30	8	38
		% within Occupation	53.6%	18.2%	38.0%
	Group	Count	8	12	20
		% within Occupation	14.3%	27.3%	20.0%
	Union	Count	14	20	34
		% within Occupation	25.0%	45.5%	34.0%
	Government	Count	4	4	8
		% within Occupation	7.1%	9.1%	8.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

On view of a company's socially accountability, majority (88%) of the respondents from both group of occupation (Table 10) think that a company should be socially accountable. When a person is selecting a job, he also consider about the social accountability of the company and if a company is social accountable, he gave the preference to that company.

TABLE 10- DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND THOUGHT FOR A COMPANY TO BE SOCIALLY ACCOUNTABLE.

			Occupation		Total
			Govt. job	Private Job	
Q.11. Do you think that a company should be socially accountable?	Yes	Count	48	40	88
		% within Occupation	85.7%	90.9%	88.0%
	No	Count	8	4	12
		% within Occupation	14.3%	9.1%	12.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

At last, the awareness level among the employees regarding the social accountability of companies is tried to evaluate and overall it is found poor (32%) in both type of employees (Table 11) because in today's scenario the employee has very limited knowledge on company social accountability and also companies is profit centered and they does not spent much on accountability towards social issue or on highlighting social accountability.

TABLE 11- DISTRIBUTION OF OPINION OF RESPONDENTS OVER OCCUPATION AND KNOWHOW ABOUT A SOCIALLY ACCOUNTABLE COMPANY.

			Occupation		Total
			Govt. job	Private Job	
Q.12 Are you aware of any company which is socially accountable?	Yes	Count	18	14	32
		% within Occupation	32.1%	31.8%	32.0%
	No	Count	38	30	68
		% within Occupation	67.9%	68.2%	68.0%
Total	Count	56	44	100	
	% within Occupation	100.0%	100.0%	100.0%	

VI. CONCLUSIONS

1. All employee's are agreed on that child labour should not be allowed at any cost. Also majority of the employee's agreed that their organization is not using any forced labour and taking care of their health and safety.

2. The employee's are not very clear about their expectation about salary so a mix response come out. Also,

private job employees are more satisfied than government job employees from their salary expectation.

3. Job security is the foremost important criterion of job selection by the employees followed by designation, salary and social performance of the company. Also, government job employees consider stability the most important whereas designation is considered to be most important for employees working in private job. Social performance is considered least by both segments of employees.

4. For communicating with the employers, the employee favour either individual contact or through employees union as better means than groupism or government/judiciary means. Further, government job employee are in more favour of communicating individually whereas the private job employees are in more favour of communication either through union or in groupism. Communicating through government is least preferred by both type of employee

5. Majority of employees found satisfied with the job but they prefer that a company should be socially accountable but employee's has not much awareness about the social accountability of the company.

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