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An Empirical Study on Interceding Effect of ESR on Employee Aspiration with Reference to IT Sector

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Abstract

ESR (Employee Social Responsibility) is defined as “An Activity or Initiative planned, organized and executed by the employees towards the advancement of the society without any assistance from the organization” Shetty Deepti (2014). This study empirically investigates the consequential impact of **Employee Social Responsibility (ESR)** on aspiration of Employee. It also tries to explore the motive of employees exhibiting ESR activities. The proposed study considers the IT employees across Karnataka State using Non probability purposive sampling. Hundred employees were deliberated through interview and questionnaire and the results were documented. The results were measured using Factor Analysis as an assessing tool. The major findings of the study authenticates that Self-image and Personal growth are the factors that have emerged as the prominent ones through religious practice of ESR activities. The substitute findings endorse personal desire, societal outreach, employee morale etc. The only aspect that has negative impact is on financial benefits, which connotes that employees do not exhibit any ESR activities for financial benefits.

Keywords: ESR, Employee Social Responsibility, Employee Motive.

1. Introduction

This emerging topic is gaining remarkable recognition in academics and corporate sector. In the present global scenario Information Technology is contributing to a great extent to Indian economy. IT sector in general constitutes two major segments one the IT services and the other Business Process Outsourcing i.e. BPO. IT sector has increased its contribution to India's GDP from 1.2% from 1998 to 7.5% till 2012. As per the NASSCOM reports IT has generated around US\$147 billion in 2015 and the export revenue at US\$ 99 billion and domestic at US\$ 48 billion which has tremendously grown by 13%. This growth compels the IT giants to give back to society in immense way. IT companies have promising way of CSR practiced since long. However there are employees who individually initiate the activities without the knowledge of company and neither they take any assistance from them. These activities at a large extent aren't recognized or documented academically or at the company reports. This has shaped an impulse in researcher to study the ESR activities and document them so as to create an urge for all the employees across the sector and the other sectors to practice and give back the society to make it a better place in years to come. Review of literature has been done in two phases the demographic features of the employees and then the initiatives taken up the employees at various sectors has been documented.

Review of Literature

Demographic features of Employees practicing ESR

Barbara A. Butrica, Richard W. Johnson, and Sheila R. Zedlewski (2007) ^[2], state publicly that the initiatives taken up by the senior citizens retired from their regular profession. The study unveils that among the volunteers in the age bracket of 55 to 65 who engaged themselves in social activities were much regular than those employees who were working. The result of the study states that the employees should be engaged in social responsibility activities before their retirement so as to optimally utilize their engagement during later years.

Adding on to the above study the author claims that elderly adults engage in unpaid activities. Zedlewski and Schaner (2005) report that about 33 percent of people aged 55 and above in the Health and Retirement Study (HRS) formally engaged in an organization in 2002. The Current Population Survey 2006 (CPS) specifies that about 26 percent of adults aged 55 and above volunteered for an organization in 2006.

Further discipline of literature attempts to understand the concrete contributors associated towards volunteer programs. In the report of Barbara A. Butrica, Richard W. Johnson, and

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Sheila R. Zedlewski (2007) ^[2], have proposed few facets of employees volunteering in social responsibility which are mentioned below:

- ✓ The male and female ratio do not differ significantly
- ✓ Marriage is also a common factor for social activities
- ✓ About more than fifty percent of the employees who are volunteers are married to spouses who volunteer, and vice versa.
- ✓ People who volunteer have more education and financial resources than non-volunteers.
- ✓ Volunteers do place more value on religion than non-volunteers.
- ✓ Majority of the volunteers have college education as compared to non-volunteers.
- ✓ Employees engaged in social activities are prone to be more physically and mentally fit.
- ✓ Volunteers have more income and assets than those of non-volunteers.
- ✓ Socially active in charity and other aspects are out of depression.

On the contrary Emily Hoban Kirby, Karlo Barrios Marcelo, and Kei Kawashima-Ginsberg (2009) ^[4], a fact sheet presented evidence from census current population survey that the youth with college experience are more prone to solve and participate in social responsibility problems than those without the college experience. They defined volunteering as the civic engagement and also the other forms which include voting, belonging to charitable groups and collaborating with other people on civic issues. Overall they articulate that young Americans today are less occupied in some aspects of civic life than in 1970s. By giving assistance to the needy is an exception and has become more common for young Americans since then. However college-educated young people are more involved than their peers with no college experience.

The study also depicts that the employees with college experience who volunteer for eradicating social problems will encourage the youngsters with no college experience. The fact sheet depicts that there are various path ways to persuade the rest to follow the path to name a few social networking sites, emails and other forms of media.

Esr Activities Initiated By Employees

This part of study emphasizes on the range of activities planned and executed by the employees irrespective of the place and time frame and the industry has been documented. Menon (2006) ^[8] observes that in India there is an emerging army of volunteers who are from offices, boardrooms and canines and are spilling on the streets. He related this theory followed by IBM where most of the employees engage themselves in On Demand Community Program Almost fifteen percent of these employees are associated with NGO's or Projects based on community service such as CRY, Parikrama and they provide training on skill building activities and mentor on simple technological training.

White Gayle Webb (2010) ^[13], the area of social responsibility discussed in this paper restricts to social activities which involves employees directly in Arkansas Corporations. The lists of innovative employee social programs been mentioned in this paper such as: educating African-American, twist to the traditional secret Santa parties, donating leftover food to various food rescue programs, share the strengths chefs on bikes and motorcycles, yellow ribbon fund, annual family holiday party, return worn out clothes which can be made new garments, children requirement donations, labor of love,

pennies for patients, incentive programs for eliminate smoking and bamboo shirts hundred percent biodegradable. All these activities have been said to be participated by employees however it is not clearly mentioned if these were the minds of the consumers or whether purely initiated by the employees.

White Webb Gayle(2010) ^[13], In an international study the author depicted that fewer than four percent of the world's major 5000 companies tend to produce a report on social responsibility and those produced are trivial in nature. The author gave a solution for the above problem and stated that for companies to promote more social responsibility is to involve employees. Author also mentions the reasons for involvement of employees firstly; it gives employees a sense of feeling of self-actualization which was developed by psychologist Abraham Maslow. Secondly, the organizations in US are all recognized by social activities and tend to attract talented employees.

The consultation project in Australia was undertaken to inform the national volunteering strategy which was conducted from 9 June 2010 to 25 July 2010. In the study the majority of the volunteers were from NGO's and Government sector and only 1.1 percent of the crowd were from IT sector. The Report proclaims that the employees at the outset who volunteer to serve the society should be recognized. They can be recognized by various means like rewarding an employee with certificate of appreciation, time off or paid leave for employees to volunteer etc. It is said that the employees would be encouraged to volunteer various programs for societal benefits if the organizations support recognize and value the volunteers. The consultation process sought feedback on why people volunteer and impediments to volunteer, the major reasons were the volunteers were

- Wanting to give something back to the society
- Sense of personal satisfaction
- Commitment to a cause
- Avenue for social interaction
- Personal skill development

The reasons explored for not volunteering

- Lack of time
- Unknown of opportunities
- Competing priorities
- Lack of skill set
- Cost involved in activities

Santosh Kumar Tripathy, Namita Rath (2011) ^[11] in a recent study conducted at NALCO (NATIONAL ALUMINIUM COMPANY LIMITED) having employees and employers as the respondents for the observation in an empirical research. It was observed that 13 percent of the total population for survey were active in the community service programs designed by the organization and rests were partly active and inactive.

At the end of the review researcher tried to uncover in the literature if there were any such ESR activities which were later considered by the companies as CSR activities. There were few studies that were felt relevant and have been documented accordingly.

Business Responsibility report (2011-12) ^[3], Employees at Infosys have initiated the note book drive. In this drive they sponsor the books and stationary for the less privileged students across all the schools. This is exclusively funded by employees. Since Infosys encourage their employees for such initiatives it has now become a part of CSR drive. There are series of employee initiatives which has now become Employee driven CSR activity for the organizations. The list

of activities are Akanksha, Arpan, Mamata, Samarpan, Sanjeevini, Soften, Sparsh, Spring and Akshaya Patra and are implemented at various regions like Bhubaneswar, Chandigarh, Hyderabad, Bangalore, Trivundurum, Mysore Pune and Many more.

Hewitt Survey (2013) [7] At Etech a global leader for inbound, outbound and live chat solutions, there are various initiatives for community service taken up by employees and have been a practice of CSR in recent days. The employees have made their own teams and help community in different forms. Below are few of the initiatives mentioned which is performed by employees:

- Few of the lady employees bowled for kids and raised money and also created awareness at the same time.
- There was other set of members who collected loose pocket change for the people in the community who were facing the crisis of an unplanned pregnancy and who were in turn scared and confused.
- A quite a few members have got together and have made a remarkable difference in the lives of middle school students by conducting a mentoring session on regular basis.

Rationale behind the study

It is notable that the IT sector’s social responsibility concept is deep rooted and well established. Firms are more seen as active members of the society. Even though the single bottom line has expanded to triple bottom line, making profit still is crucial for companies, as it allows the IT players in necessary expansion, investment, and development of new techniques and procedures. Pacharaporn Kesaprakorn (2008) Social Responsibility is a “returned investment” i.e triple bottom line investment, bringing optimistic outcomes or profit to the companies, community, and the environment if managed systematically and strategically. In essence, profit ensures long term company survival. ESR is novel mantra for IT players which would help to accomplish the bottom line.

Statement of Problem

This course of research work is undertaken to discern the relationship of what the employees aspire to become in their personal and professional life and ESR in general. In particular there are no studies pertaining to IT sector employees exhibiting ESR activities and their motive behind it.

Objectives of the study

1. To recognize ESR as an interceding effect on Aspiration of Employee.
2. To identify the motive of employees in exhibiting ESR activities.

Research Methodology

Extensive literature on employees exhibiting social activities without taking any assistance from the company and also their motive behind such activities has been accumulated so as to create a strong base to carry out the pilot study of ESR in a systematic way.

Sampling Design

Population

The employees of IT sector across Karnataka region were considered to select the required sample for the study.

Sampling Element

Individual employees of the IT companies were chosen for the study.

Sampling Technique

Non probability purposive sampling technique was employed to select the required sample.

Sample Size

The sample size considered for the study were hundred employees across Karnataka state.

Tools used for data collection and analysis

To counter the problem statement the study considered employees from IT sector across Karnataka state. The primary data was composed through questionnaire which encompassed the defined aspiration likert scale and the scale developed to identify the motive of employees practicing social responsibility activities.

Cronbach’s Alpha was used to test the reliability of the factors and the variables chosen for the study. Factor analysis, rotated component matrix was applied to analyze the relationship between the various factors associated to employee social responsibility and employee’s motive behind them.

Results and Discussion

Reliability Measure

Cronbach’s Alpha	No of Items
0.754	45

Through Cronbach alpha method the value is 0.754 which is greater than 0.7 which implies that all the variables are considered to be highly reliable for the study.

Table 1: Factor Analysis for Employee Aspiration and ESR

Rotated Component Matrix ^a						
Aspratins factor analysis	Component					
	Self Image	Personal Desire	Societal Outreach	Personal Relationship	Social Image	Financial Status
v29.My image will be quite appealing.	.929					
v23.I will achieve the "look"l've been after	.922					
v30.I will have enough money to buy everything I want	.775					
v5.I will successfully hide the signs of aging.	.710					
v17.I will keep up with fashions in hair and clothing.	.756					
v25.I will continue to grow and learn new things .	.725					
v13.I will gain increasing insight into why I do the things I do.	.588					
v19.I will k2w and accept who I really am.		.855				
v18.I will have many expensive possessions.		.845				
v12.I will have a job that pays very well.		.656				
v7.At the end of my life, I will look back on my life as meaningful and complete.		.623				
v3.I will assist people who need it, asking nothing in return			.924			
v15.I will work to make the world a better place.			.612			
v9.I will work for the betterment of society.			.578			
v21.I will help others improve their lives.			.522			
v20.I will have committed, intimate relationships.				.766		
v2.I will feel that there are people who really love me, and whom I love.				.822		
v8.I will have good friends that I can count on.				.689		
v14.I will share my life with someone I love.				.730		
v11.I will have people comment often about how attractive I look					.776	
v16.I will be admired by many people.					.894	
v22.I will be famous.					.732	
v4.I will be recognized by lots of different people.					.924	
v10.My name will be know by many people					.576	
v28.My name will appear frequently in the media					.519	
v24.I will be rich.						-.671
v6.I will be financially successful.						-.666
Eigen value	7.75	4.58	4.13	2.68	2.51	1.98
Total variance explained	16.70	13.15	11.51	11.42	10.93	9.46

- 1. Self-Image:** This factor has emerged as one of the most vital determinant of Employee Aspiration with an Eigen value of 7.75 and the variance of 16.70. The major variables of this determinant include image will be quite appealing, achieve the look the employee is been after, enough money to buy everything, hide the signs of aging, fashions with hair and clothing, grow and learn new things and gain insights and the loading values are above 0.5. This proves that the ESR has an implication on employees Self Image.
- 2. Personal Desire:** This factor has an Eigen value of 4.58 and the variance is 13.15 which is the second most important factor while studying the relationship of ESR and Aspiration of Employees. The variables in this factor include know and accept who the employee is, have expensive possessions, job that pays well and look back towards life as the complete one. All these variables have loading value above 0.5 which indicates that ESR has positive impact in personal desire of an employee.

Employees concur that they can accomplish their desire through ESR activities.

- 3. Societal Outreach:** The factor has an eigen value of 4.13 and the variance of 11.51 which is the next factor which ESR positively impacts on and the variables have the loading value above 0.5. The variables associated with this are assisting people asking nothing in return, make the world better place, work for the betterment of the society and help others improve their lives. Most of the Employees believe that they have no hidden agenda for pursuing these ESR activities and they perform so as to help the needy and to make the society a better place to live in.
- 4. Personal Relationship:** Employees related with ESR do have a feeling that their personal relationship and life is better to some extent compared to those who are not active. An Eigen value and the variance for this factor is 2.68 & 11.42. The variables under this factor have the loading value above 0.5 i.e. committed intimate

relationship, people love whom the employee whom he loves, friends to count on and share life with someone he loves. Employees practicing ESR activities have a better personal life and relationship.

5. Social Image: Eigen value and variance for this factor is 2.51 & 10.93 and the variables with the loading value above 0.5 which proves that ESR has to some extent positive relationship with ESR. The variables that fall into this factor are Employee admired by many people, comment on how attractive he looks, will be famous,

recognized by many, name will be known by many and name will appear frequently in media. The employees aspire to have a strong social image with active participation in ESR.

6. Financial Status: An Eigen value for this factor is 1.98 and variance is 9.46 which is the least factor which an employee actually looks upon. Most of the employee's do not feel that they'll be rich or financially successful with the ESR activity since the loading value is below 0.5.

Table 2: Factor Analysis for reasons of ESR activities

Rotated Component Matrix ^a				
Reasons for volunteering services	Component			
	Personal Growth	Stirred by social & peer group	Employee Morale	Social Concern
v42. Involvement in social problems helps me work through my own personal problems.	.930			
v43. Social contribution will help me succeed in my chosen profession.	.930			
v38. I can learn more about the cause for which I am working.	.908			
v40. It allows me to explore different career options	.742			
v39. Participating in social activities increases my self-esteem.	.529			
v34. People I'm close to want me to be a part of social activities.		.907		
v32. My friends actively participate in social activities.		.852		
v44. I involve in social responsibility activities since it's a part of corporate policy.		.683		
v46. Volunteering in social responsibility activities is mainly because of financial help that my company gives.		-.865		
v47. My company plans social activities that I have to indulge in.		.605		
v45. I contribute to society only if my company allows me to do so.		.599		
v35. It makes me feel important.			.870	
v36. I feel rejuvenated by helping the needy.			.845	
v39. Participating in social activities increases my self-esteem.			.529	
v31. Social activities can help me get my foot in the door at a place where I'd like to work.			.577	
v33. I am concerned about those less fortunate than myself.				.910
v37. I am genuinely concerned about the particular group I am serving				.903
v41. I feel compassion toward people in need				.735
Eigen value	7.82	3.32	2.02	1.32
Total variance explained	35.94	19.14	16.19	13.87

1. Personal Growth: This factor has an Eigen value of 7.82 and variance of 35.94 and hence has been materialized as the significant factor in the reasons as to why the employees participate or volunteer in social responsibility activities. And its major variables are work through personal problems, succeed in chosen profession, learn the cause, explore career options and increase self-esteem and all the variables have the loading value more than 0.5 and therefore all have great impact through practicing ESR.

2. Stirred by Social and Peer Group: This factor with 3.32 and 19.14 as the Eigen value and the variance has emerged to be the second important one in the reasons as

to why employees volunteer in social activities. All the variables such as people close to the employee, friends, corporate policy, company plans and company allows have the loading values above 0.5 and have positive impact. One variable has the value -0.865 which says employees participate mainly due to the financial help and which does not hold true and it has negative impact on ESR and Employee.

3. Employee Morale: The factor has the Eigen value of 2.02 and variance of 16.19 and the variables carry the loading value of more than 0.5 and therefore it has positive relationship between ESR and employee morale. The variables which fall into this factor are feel important

about self, rejuvenated, increases self-esteem and get the foot at the place where the employee plans to work.

4. **Social Concern:** Eigen value of this factor is 1.32 and the variance is 13.87 and all the variables have the value more than 0.5 which signifies that ESR has impact and positively effects the concern of society. The variables in this factor are concerned about those less fortunate than self, genuinely concerned about the particular group and compassionate towards people in need.

Scope for Further Research

Study can be simulated to other sectors. Researchers can derive various other factors through this tested scale. Implications of the same can be studied on company's growth and profitability or corporate image.

Conclusion

This study has stemmed in setting standard and reliable scale to measure the aspiration of employees having ESR as an interceder and also to gauge the motive behind executing ESR activities. This paper has curtailed to the findings that majority of the employees in IT sector genuinely practice ESR activities. These activities have proved to have a significant impact on various variables discussed in the article. An employee practicing ESR activities do accept that ESR is a mediating or interceding factor. ESR is one such tool if propagated to every employee in an appropriate manner, almost all the employees will grow in their personal and professional career; their self-image can be enhanced; employees can achieve their goals effectively and their morale also could be equally enriched.

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