

## **Perception of Corporate Social Responsibility among Employees of Services Sector based on Gender**

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**Abstract:** *The aim of this study is to perception of corporate social responsibility among employees of services sector based on gender in Pakistan. The concept of corporate social responsibility (CSR) in Pakistan is at very beginning stage. It needs awareness and change in the behavior of corporations and government. A structured questionnaire was used to explore the five dimensions of CSR in three sectors of the services industry i.e. Telecom, Education and Banking organizations. The data was entered into SPSS 16.0 for analysis. The results indicate that employees' agreement reflects the highest scores as compared to other dimensions of CSR. Findings reveal a moderate response from the employees regarding selected dimensions of CSR in services sector in Pakistan. It is concluded that females employees of the service sector having more understanding about the concept of CSR as compare to male employees of the service sector of Pakistan. The study enables the different stakeholders to enhance their understanding by providing a direction for more research regarding CSR in developing countries like Pakistan.*

**Key words:** *CSR, Service Sector, Employees, Gender*

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### **I. Introduction**

Corporate Social Responsibility is not a new concept in the business world. It is the part of public polices of the countries. Business organizations are more responsible for their action in the society; the links between society and business are being discussed over last 10 years. This is only because of greater issues of environmental, labour human rights and globalization (Osborne, 2002). At the same time the main purpose of the business is to earn profit by providing better and quality service to the consumers. The aggregated behavior of the people serves the public better then any social planner could ever do (Henderson, 2002). A philanthropic responsibility of the business is expected to contribute financial and human resources to the community and to improve the quality of life. It is stated in more managerial terms, the firm should strive to make profit, obey the law, be ethical and be a good corporate citizen. The strategic planning for management of corporate social responsibility behaviour requires the firm to integrate the said four components.

Broadly companies have two kinds of responsibility commercial and social. On one hand, commercial responsibilities involve running a business fruitfully, breeding profit and satisfying shareholder expectations. On the other hand, corporate social responsibility involve taking on responsibilities as an actor in the society and the community by engaging in activities that go beyond making a profit as such protecting the environment, looking after employees, addressing social issues, and being ethical in trade (Forst, 2001). Employees are the major stakeholder of the company while impelmenting the polices of corporate social responsibility. So the researcher found there is less discussion about the stakeholder and the corporate social responsibility, the employees and how the corporate social responsibility affect the employees and their work life on the work place. Multinational organizations and banking sector of pakistan is working on te betterment of their employees and their workplace. Shell Pakistan and PSO (Pakistan State Oil) are the famous companies in the oil and gas sector of Pakistan. They are working for the betterment of their employees and their work place by impetemting the policies of corporate social responsibility.

As well as Pakistan is concerned then the practices of social responsibility are very limited although companies try to have this component as an important part of their business. Among them service sector is dominant because economy of Pakistan is base on this sector. Services sector organizations have the close

relationship with society and there has been great concern of accountability and transparency for the businesses of Pakistan due to increase in globalization, human rights, employment issues and environmental issues. These issues of corporate social responsibility highlighted due to the corporate scandals that created the tension between customers and employees and shamed the business leaders across the world for example Taj company of Pakistan, Allied Bank of Pakistan, World Com Inc. and Pakistan steel Mills. The above scandals indicated the business organizations to increase focus on societal and environmental responsibility of the work place other than the profits of the businesses.

## **II. Literature Review**

The study examines the CSR practices among the employees of service sector of Pakistan on the gender bases. It has experienced several crises due to inconsistent policies, unstable political environment and constant foreign intervention since its creation. The inception of 21<sup>st</sup> century came with multiple opportunities for the corporate sector to explore new markets throughout the world. The expansion in organizational size and scope poses a number of challenges in the recent age of high competition. Similarly, social pressure and globalization requires social responsibility from the corporate sector to ensure the interests of different stakeholders. It needs to monitor the corporate social responsibility from the corporate sector to meet the prevailing parameters. There a number of studies those investigate the CSR in the different parts of the globe.

Friedman (1970) argued that it is the social responsibility of business to practice the free competition without deception or fraud. Similarly, it is reported that management of the business organizations is required to honor the economic, legal, ethical and discretionary responsibilities Carroll, 1979). Employees' rights could be costly for the organizations but they should not ignore it to realize the greater profits (Jardins & McCall, 1985). It is found that factors of corporate social responsibility are important to enhance the organizational effectiveness (Zahra & LaTour, 1987). In addition, it is concluded that employer gave the financial compensation and benefits to employees with better work performance (Schiemann, 1987).

Bowen (1988) suggested that corporate sector should facilitate the employees and their families. The study reveals that the private and public organizations should develop the policies to support the family of the employees and involve them in decision making. Similarly, the relationship between CSR and organizational effectiveness was investigated (Kraft, 1991). In addition, the top management's attitude towards CSR is examined and findings show that basic skills employed took the corporate social responsibility but requires the consideration of economic and legal issues (Anderson, 1993). In addition, it is reported that positive reaction from external stakeholders could create positive effect on employee's behavior (Riordan & Bill, 1997).

Lankau (1997) found that flexible working hours could create the high level of organizational commitments and high level of job satisfactions. It is reported that there is a positive relation between corporate social performance and high level of job choice. Higher level of corporate social performance could attract the highly qualified employees for organizations (Albinger & Freeman, 2000). Similarly, employees' rights as employee freedom, employee safety, and employee participation in decision making and employee privacy at work place could be the foundation (Rowan, 2000).

Mujtaba & Sims (2006) reported that store managers were formally trained for ethical issues but there is no formally training for employees. It is documented that employee perception about organization is positive toward the job security, satisfaction behavior of citizenship because of corporate social responsibility. Employees not only react on wrong things but react on positive behavior of their organization in the presence of CSR (Rupp et al., 2006). Corporate social responsibility is beneficial for the corporate sector and employees. It is found that many business responses to demand of corporate social responsibility not in business operation but in management, staff and stakeholders (Fuentes-Gnarcia & Veroz-Herrado, 2007). Similarly, it is reported that internally and externally behaviors of CSR are almost the same thing. Internal behavior means legal and ethical compliance of employee checked by compliance officer and externally checked by CSR (Houghton, 2009).

## **III. Methodology**

This study examines the corporate social responsibility among the employees of service sector of Pakistan on the gender bases. The population of the study is the employees of selected organizations from the services sector of Pakistan. The responses were collected from three sectors of the services industry i.e. Telecom, Education and Financial organizations. A sample of 500 respondents was selected for this study. A structured questionnaire was developed to record the response of the employee about the corporate social responsibility. Service sector was easy to approach and get data by using personal sources because the country like Pakistan have no trend to fill the questionnaires as a responsibility and send back to the researcher. Therefore data was collected through personally contact approach from the employees randomly.

Primary data was collected with the help of questionnaires from service sector of Pakistan. The questionnaires almost cover all the banks, educational institutions and the telecom companies. The questionnaire contains five main factors explaining the corporate social responsibility regarding employees. The factors of

CSR include company information, physical working environment, employee`s agreement, flow of information and ethics. The responses were recorded on five point likert scale ranging from 1 to 5 (i.e. 1 stands for strongly disagree, 2 represents disagree, 3 for neutral, 4 is used for agree and 5 represents strongly agree. Data was organized and entered into SPSS 16.0 version to analyze the responses of the employees regarding CSR in Pakistan.

#### **IV. Result and Discussion**

This study investigates the CSR practices in Pakistan especially with in the gender base employees of the services sector. A total of 500 questionnaires were distributed among the employees of the service sector organizations. There were 250 completed questionnaires processed for the data analysis and the response rate was 50% that is reasonable to perform statistical analysis by using SPSS. Corporate social responsibility cover five important aspects which are related to company information, physical working environment, employee agreement, flow of information and ethics. Now, a concept of corporate social responsibility is the main agenda and all the organizations are working as the important task.

##### **4.1 Experience of the Employees from service sector**

<b>Years</b>	<b>Percent (%)</b>
1-3	49.6
4-6	31.6
7-10	13.2
Greater then 11	5.6
Total	100.0

Researcher makes the analysis with the help of descriptive statistics. Respondents were having the different experiences toward their jobs in the different organizational background in the services sectors. In the research survey 124 respondents which were 49.6% employees of the total survey were having only 1-3 years job experiences in the different organizations of the services sectors. 31.6% respondents were having 4-6 years job experience. 13.2% respondents having 7-10 years job experiences and only 5.6% respondents were having greater then 11 years job experiences in the services sectors of Pakistan and were included in the survey.

##### **4.2 Gender Detail in survey**

<b>Gender</b>	<b>Percent (%)</b>
Male	62.8
Female	37.2
Total	100.0

Researcher also makes the analysis on the gender bases in the survey with the help of SPSS. 62.8% male respondents of the total survey have take part in the research and only 37.2% female of the total survey have been participated in the research questionnaires.

##### **4.3 Sectors Detail**

<b>Sector</b>	<b>Percent (%)</b>
Education	28.0
Financial	52.6
Telecom	18.4
Total	100.0

Researcher gets the survey from the different organizations of the services sectors like education, financial and telecom. 70 respondents were belonged from the education sector which is 28% of the total respondents. 134 respondents were belonged to financial sectors which were 53.6% of the total respondents and only 46 respondents were from the telecom sector which is 18.4% of the total respondents. Employees of the financial sector are half of the total respondents.

##### **4.4 Organizational Size with reference to employees**

<b>Size</b>	<b>Percent (%)</b>
Less then 100	9.6
Greater then 500	90.4
Total	100.0

Size of the organizations also affects the research survey program. In this research only 24 respondents which is 9.6% of the total respondents were belonged to the less then 100 employees organizations which can be

called the small organizations and 226 respondents which is 90.4% of the total respondents were belonged to the large organizations which was having more then 500 employees in the organizations.

#### 4.5 Education

Education	Percent (%)
B.com	0.4
B.com(4 years)	0.4
BA	3.6
BBA	2.8
BBA(IT)	0.4
BCS	2.8
BSC	2.8
MA	16.4
MBA	42.4
MCS	4.0
MSC	20.8
Mphil	3.2
Total	100.0

Education of the respondents has also explained by the researcher. 106 respondents which were 42.4% of the total respondents have the MBA educational background which shows the strong knowledge about the research topic.41 respondents which were 16.4% of the total respondents having MA educational background. Only 0.4% respondents were having B.com education. 0.4% respondents have B.com (4 years) degree.3.6% respondents have BA degree .2.8% respondents have BBA degree.4% respondents have BBA (IT) degree and 2.8% employee having BCS and BSC degrees. 4% respondents were having MCS degree. 20.8% respondents having MSC and only 3.2% respondents have M Phil educational background.

#### 4.6 CSR with Gender

Gender	Mean	Std. Deviation	Std. Error Mean
Male	2.6891	0.3449	0.0275
Female	2.7115	0.3210	0.0333

CSR with reference to gender of the employees in the service sector of Pakistan understanding the activates of this issues in the business world. Above table results shows that as compare to male, the females having better understanding about the CSR activities.

### V. Conclusion

This study aims to Perception of Corporate Social Responsibility among Employees of Services Sector based on Gender in Pakistan .The government and corporate sector should work together to build the relationship between business and society. The concept of corporate social responsibility in Pakistan is at very beginning stage. It needs awareness and change in the behavior of corporations and government. A structured questionnaire was used to explore the five dimensions of CSR in three sectors of the services industry i.e. Telecom, Education and Banking organizations. The data was entered into SPSS 16.0 for analysis. The results indicate that employees’ agreement reflects the highest scores as compared to other dimensions of CSR. Findings reveal a moderate response from the employees regarding selected dimensions of CSR in services sector in Pakistan. it is concluded that females employees of the service sector having more understanding about the concept of CSR as compare to male employees of the service sector of Pakistan. The study enables the different stakeholders to enhance their understanding by providing a direction for more research regarding CSR in developing countries like Pakistan.

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