



Employee Volunteerism in Corporate Social Responsibility and Employee Engagement in India

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ABSTRACT: Introduction of Section 135 and Schedule VII in the Companies Act 2013 is the development of 4 years in India. India is the First country across the globe which has made CSR mandatory for profit-making corporates. The expectations of these selected corporates in the field of CSR are different from traditional CSR. The selected corporates which come under the purview of CSR act had to scale up their CSR programmed by forming CSR Policy, Vision, Philosophy, CSR structure and CSR Board Committee and they also had to decide the focus areas as per the Schedule VII of the Companies Act 2013.

These Corporates have to involve all the stakeholders in their business, i.e., employees, customers, shareholders, communities, and vendors in the CSR process. Many corporate in India have involved their employees in their CSR programs. Employees Volunteerism has become a critical aspect of CSR. Besides involvement into CSR projects the employee volunteerism may result in employee engagement, team building, and brand building. The current article deals with employee volunteerism in Corporate Social Responsibility in Indian industries and its byproduct 'Employee Engagement.'

Keywords: Corporate Social Responsibility [CSR], Stakeholders, Employee Volunteerism, Employee Engagement, Brand Building, Team Building



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1. INTRODUCTION

India has taken a big step by making CSR mandatory under Companies Act 2013. Practically it is compulsory to all the profitable, big companies to invest 2% of their net profile in the social cause again defined by the Government under Schedule VII of the Act. The interpretation of the law also suggests the involvement of all the stakeholders in the CSR projects of the company to develop the culture of giving it back to the society.

2. Involvement of the stakeholders:

As per the law, there is separate Board Committee for CSR whose responsibility is to approve and monitor CSR projects. The required spending is also a part of this monitoring process. The commitment and support of the top management and higher management are prerequisites for the result oriented CSR. The partnerships with the NGOs and with the Government, involvement of local governance and the communities have become the necessary features of CSR projects. They are all the stakeholders of the business.

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The CSR Act also encourages **employees' participation** by giving guidelines that in working hours the employees need to participate in CSR projects. The involvement of the employees in CSR activity also helps to build up the culture of the organization which has the spirit of empathy, compassion, teamwork and human approach.

3. Employee Volunteerism:

Employee volunteerism can be defined in a manner consistent with McGlone, Spain, and McGlone (2011): giving of one's time, energy, skills, or talents to a charitable organization without receiving payment in return. It is now an organized effort somewhat being a charity (Clary & Snyder, 1999).

Employee Volunteerism can be considered as an exclusive feature of CSR. It may help in **developing external aspects** like brand image and reputation of the organization. The international and domestic customers in their audits ask the questions on sustainability measures and the efforts/ programmes of the organization which are related to social responsibility. The companies which have clear policies and procedures on sustainability and social responsibility get a good score in the audits which may help them to get new orders or continue the present business.

At the same time, as an **internal aspect of the organization**, employees may get motivated due to voluntarism and motivation factors found for volunteering include humanity, meaningfulness, organizational citizenship, role variety, and networking. A similar concept is reinforced by [Aguinis & Glavas, 2012] Employee volunteerism as a practice of corporate social responsibility aids corporations by strengthening employee satisfaction and retention internally and by strengthening corporate reputations and connections with stakeholders externally.

Volunteerism is an opportunity for companies to respond to the altruism in the employees, address the concerns and problems of the community and encouragement to senior organizational leaders to embed socially responsible behavior within core businesses.

4. Various ways of volunteering of employees:

There are various ways by which employees can participate in CSR projects. The examples can be illustrated as follows:

- a. Education – They can be the mentors of the students from a government school. The corporates like Amdocs working in this area and around 1000 employees have become mentors to the children.
- b. Incorporation schools, teachers are inadequate. The employees can support by teaching the subject of their interest to these school children. There are often no sports teachers. Employees can train these children in this sports area. The employees from Bharat Forge work as volunteers in these schools.
- c. Environment - by involving in the various drives like Cleanliness, waste management, and planting trees, an employee can participate in significant number and thereby employee also can involve in the conservation of the environment.

- d. Departmental CSR: Various departments of the companies can take up small CSR projects like visiting an orphanage, spending time with the old people, imparting necessary training and education.
- e. Skill development: The employees can also participate in Skill development by imparting the required technical skills to the rural youth for employability.

5. Impact of Employee Volunteerism:

a. Benefits to the individual employee by volunteering:

Employee Volunteerism not only helps to CSR projects but it also brings out attitudinal changes in the employees. It helps in developing empathy, getting aware about different social issues and also in generating affinity for the various deprived sections of the society. It enriches the total personality of the employee by developing empathy for all the process at the workplace. It also encourages Team Work while working on the projects of CSR.

b. External Benefits of Employee Volunteerism to the company:

Volunteering can help companies to enhance their corporate brand image. When a company does something for the community, the community sees the company's presence in a favorable light. It is a fact that what company's efforts will have considerable influence on the local community than the building structures. *Ameer and Othman (2012)* found that companies in specific activity sectors which emphasize sustainability practices have higher financial performance measured by return on assets, profit before taxation, and cash flows compared to those without such commitments.

c. Internal benefits to the company

Understanding the motivations and attitudes behind volunteering is vital to develop a conducive culture of the organization. In short employee, volunteerism may lead to employee engagement.

6. Employee Engagement Through Employee volunteerism

Employee Engagement is necessary for business growth, Innovation, employee retention and customer satisfaction. Engaged employees feel a strong emotional bond with the organization that employs them. This is associated with people demonstrating a willingness to recommend the organization to others and commit time and effort to help the organization succeed. It suggests that people are motivated by intrinsic factors (e.g., personal growth, working to a common purpose, being part of a more extensive process) rather than merely focusing on **extrinsic factors**.

Volunteering helps the employee in developing empathy, getting aware about different social issues and also in generating affinity for the various deprived sections of the society. This can be considered as intrinsic factors which connect the employees to the organization. Volunteering enriches the total personality of the employee by developing empathy for all the process at the workplace. It also encourages Team Work while working on the projects of CSR. It helps in the process of engaging employee with the organization.

Research shows that employees' hours of volunteering are positively related to an increase in skills acquired from those experiences (Booth, Park & Glomb, 2009). Other benefits of organizational volunteerism for the firm include increased efficiencies and morale/team building (Peloza & Hassay, 2006). In short, employees' positive feelings (such as those related to recognition, success in the job, job enrichment, efficiency and morale building) directly impact their satisfaction with the job and their organization.

7. Measuring the Impact of Employee Volunteerism:

Many studies clearly state the importance of the programs sponsored by the organization (Vander Voort, Glac & Meijs, 2009) along with the many facets of CSR (Janssen, Sen, & Bhattacharya, 2015). A [Millennials Survey](#) done by PricewaterhouseCoopers shows that "59% of Millennials gravitated toward companies with pronounced Corporate Social Responsibility (CSR) programs. "Communications shows that the smart employees connect altruism and career ambitions. Though the corporates in India are promoting Employee Volunteerism in CSR, they have not yet started measuring the impact of Employee Volunteerism on Employee Engagement in percentage/in numbers.

8. Conclusion:

The spirit behind the CSR act was to promote inclusive growth in India. The corporates are involved in the development process not only for the monetary contribution but the social development process also requires speed, managerial skills, project management techniques, and technology. The companies along with monetary support are expected to transfer above skills and competencies in the social development process.

The human resources of the companies have the managerial, leadership skills, project management techniques and the acumen of the technology. The employees of the company along with their work targets also aspire to have 'connect 'with the society in different ways. The ambitions and the spirit of altruism of the employees meet by this way.

Employee Engagement should be the part of the overall Business strategy.

- CSR activities help the employer to improve the employee morale and thereby the business as well.
- It has been observed that employees become more engaged, remain definite & likely to continue with the organization when they possess favorable opinion of their organization's socially responsible activities.
- It is an excellent engagement tool that makes the employee realizes that the organization cares about the workforce's general interest as well as socially committed.
- The CSR activities also lead employees to believe that they are not only working for an organization that provides a good career but one that 'cares.'

The success of the organization depends on the effectiveness of the people. The challenge today is to attract & retain human resources, develop them continuously & motivate them to give their best to the organization.

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