

To Analyse the Effects of Corporate Social Responsibility Initiatives on Employer Branding of the Five Star Hotels in and Around Pune.

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Key Words:

1. Employer branding,
2. Corporate Social Responsibility (CSR),
3. Human resource practices

Abstract

Hotels are constantly trying to retain the most talented pool of human capital amongst growing competition. Hence developing the employer brand-both internal as well as external becomes crucial for the business. The rise of social media has helped most candidates do a lot of research on the hotel's employer brand value before joining it. Similarly the corporate social responsibility (CSR) initiatives used for the development of the society, environment and the employees act as medium to successfully position the employer on the labor market as well as the customer market. The CRS initiatives along with good human resource practices help retain the highly – qualified employees through positive reputation and legitimacy. This descriptive paper examines the effects CSR activities on the employer branding of five star and four star properties in and around Pune. The findings of this paper will analysis the employee facilities, the CSR initiatives and their effects on employer branding that would build good relations in the long run.

INTRODUCTION

In the last decade Hotel industry has realized the importance and development of conducting voluntary engagements under Corporate Social Responsibility. This is reflected by an increasing demand from customers, employees, legislative system and society who check whether the organizations are meeting the acceptable standards. The hotels believe that besides wealth generation and economic interests they have a major responsibility towards the society and environment. The stakeholders like customers, employees, business partners and community have a right in the organization and its activities as they can gain from the company's success or can be harmed by its mistakes. Similarly the stakeholder's actions can destroy or assist the smooth functioning of the organization. In order to remain competitive the hotels have to meet the expectations of their stakeholders by practising CSR activities which help the organization to sustain amongst competitors.

The high employee turnover rate in hotel industry has made the hotel Human resource department to use CSR as a management strategy for improving organizational commitment and employee retention. This is because

employee motivation and performance are not only determined by rewards and compensation but also by the organization's image of its employer. Thus it is important to work for a company that has a well-planned CSR strategy at the core values of the organizational culture. This supported by good working condition helps attract talented individuals and make employees feel good about their organization. It is also seen that companies that involve the employees to practice CSR achieve better reputation with an upsurge in sales and customer loyalty.

The benefits of CSR could include lower operating cost, more efficient operations, brand image and customer loyalty, creating new business opportunities, access to capital and government support. This enables hotel organizations to present a better picture of their company in the competitive market.

LITERATURE REVIEW

The article on environmental awareness and training for staff suggests that through various training programs like induction training for new staff, continuous on the job training, refreshers course and dedicated environmental sessions helps the organization to monitor staff and measure their progress.

The Asia Pacific Journal of Tourism Research in their paper have attempted to investigate the Hong Kong hotel leaders of High tier and Medium tier hotel's efforts to influence employees' behaviour to act in a more socially responsible manner towards the organization and

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communities. It highlights both leaders' perceptions of corporate social responsibility (CSR) behaviour of their employees and the instruments used to influence the behaviour and the findings have shown that CSR awareness is deeply incorporated into high-tier Hong Kong hotels where community involvement is particularly strong.

Mark Anthony Camilliri in his thesis tested the relationship between strategic CSR (organization benefits) against firm's commitment, behaviour and resources devoted for CSR. The results indicated that there was a responsible behaviour which influenced the firm's financial performance, market standing, effective human resource management and operational efficiencies.

The article in International Journal of Contemporary Hospitality Management helps the hotel manager to understand the benefits that could add to the employees and hotels through their CSR involvement. The findings showed that CSR significantly influenced the employer and employee relationship and the practical implications revealed that CSR activities could be customized to elicit specific effects that could have beneficial outcomes for both management and employees.

RESEARCH METHODOLOGY

The research method adopted for the study is descriptive method. Primary data information was gathered by interview method and questionnaire method. The employees were interviewed with the help of the questionnaire containing close-ended questions on the activities and facilities provided under CSR and its impact on the well-being of the employees. The literature review helped in identifying parameters to design the questionnaire. The secondary data was gathered through

reference books, journals and Internet. Out of the 30 5star and 4 star hotels in and around Pune 22 hotels were selected through random sampling and the questionnaire were circulated amongst the employees from these hotels. The research design involved review of literature followed by designing the questionnaire, collecting and interpreting data and concluding with findings and suggestions.

OBJECTIVES

- 1.To explore the diverse techniques that are utilized to encourage employee involvement in CSR initiatives.
- 2.To understand the impact of CSR initiatives on Employer branding.

Hypothesis

H1 - CSR initiatives help employer branding.

Findings and Interpretation

Hypothesis: CSR initiatives help Employer Branding

Employee Perspective: Analysis by Regression

Regression: Regression is a predictive analysis technique where the dependent variable is effect and independent variable is cause. Predictive Analysis is used to predict the value of dependent variable from one or set of independent variables. To test hypothesis, regression analysis was performed.

Variables

Dependent Variable: CSR emotional attachment

Independent Variables:

- 1.Training regarding CSR initiatives
- 2.CSR awareness

Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	training regarding CSR initiatives, CSR awareness, Org best in its sector - CSR ^a	.	Enter

a. All requested variables entered.

Employee engagement among blue collar workers

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.816 ^a	.666	.650	.474



a. Predictors: (Constant), training regarding CSR initiatives, CSR awareness, Org best in its sector - CSR

For regression through the origin (the no-intercept model), R Square measures the proportion of the variability in the dependent variable about the origin explained by regression. This cannot be compared to R Square for models which include an intercept.

Table: Model Summary, Regression Analysis

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	28.580	3	9.527	42.454	.000 ^a
	Residual	14.361	64	.224		
	Total	42.941	67			

a. Predictors: (Constant), training regarding CSR initiatives, CSR awareness, Org best in its sector - CSR

F-test outcome is highly significant (less than .001, as you can see in the last column), so the model does fit the data.

b. Dependent Variable: CSR emotional attachment
The above output box is labelled ANOVA (Analysis of Variance). Here is the F-test outcome that is giving a measure of the absolute fit of the model to the data. The

A straight line, depicting a linear relationship, described the relationship between these two variables.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.395	.301		1.312	.194
	CSR awareness	.194	.078	.212	2.491	.015
	Org best in its sector - CSR	.273	.115	.260	2.387	.020
	training regarding CSR initiatives	.428	.097	.473	4.431	.000

a. Dependent Variable: CSR emotional attachment
The regression model had R Square of 0.666 which was significant at 0.01 alpha

Based on the above information the regression equation can be presented as follows: CSR emotional attachment = **0.395 + 0.194 (CSR awareness) + 0.273 (Org best in its sector - CSR) + 0.428 (training regarding CSR initiatives)**

Employer Perspective: Analysis by Chi square Chi square test

The quantitative analysis has been done using non-parametric test as the variables are categorical variables. For the present investigation Chi Square test has been used

The association between variables relating to **CSR**

initiatives and Employer Branding were discussed as follows.

CSR initiatives and Employer Branding are two variables taken for Chi square test.

Following data is taken from the sample studied. Chi

square test statistics calculated as below.

fo = an observed frequency;

fe = an expected (theoretical) frequency

n = the number of possible outcomes of each event = 22

Observed frequencies:

		CSR initiatives		Total
		No	Yes	
Employer Branding	No	1	7	8
	Yes	9	5	14
Total		10	12	22

Expected frequencies are calculated for each cell using formula

$$fe = \frac{\text{Row Total} * \text{Column Total}}{\text{Grand Total}}$$

Expected frequencies

		CSR initiatives		Total
		No	Yes	
Employer Branding	No	3.64	4.36	8
	Yes	6.36	7.64	14
Total		10	12	22

level of significance	0.05
no of rows	2
no of column	2
degree of freedom	1

Employee engagement among blue collar workers

Chi square test statistics is calculated as follows

fo	fe	(fo-fe)	(fo-fe)*(fo-fe)	(fo-fe)*(fo-fe)/fe
1	3.64	-2.636	6.95	1.911
9	6.36	2.636	6.95	1.092
7	4.36	2.636	6.95	1.593
5	7.64	-2.636	6.95	0.910
Chi square test stats χ^2			Total	5.507

3.Organization best in its sector for CSR initiatives

Critical Value	3.8414
Calculated chi square test stats	5.507

Interpretation and Discussion

The Calculated chi square test statistics is more than Critical Value of χ^2 .

Hence, it is proved from Chi square test and Regression that there is significant relationship between CSR initiatives and Employer Branding.

CONCLUSIONS

It can be concluded from the findings that the hotel organizations involved in best CSR practices had a good employee retention along with loyalty towards their employers.

The induction training programs and on the job training programs were the preferred techniques that included CSR agendas to help create awareness of the activities among employees. The employees are motivated to involve themselves to be a part of the employer's brand by utilizing the facilities offered by the organization for their well-being and also involving themselves in the hotel's social activities of giving back to society.

Chi square test and Regression proved that there is significant relationship between CSR initiatives and Employer Branding. Thus more CSR initiatives must be designed with help of the employees that would help in the sustainability of the society that we live-in and create a good brand name of the hotel in the competitive market.

LIMITATIONS

The population involved the top management and departmental employees of five star and four star hotels. It was hard to reach the top management due to the difficulty in getting appointment irrespective of lot of repeated efforts and the departmental employees were unable to spare sufficient time to answer the questionnaire

Annexure

Questionnaire for the Employee

Part A

1. Gender: Male Female
2. Marital Status: Married Single
3. Age in Years: 18 - 24 25 - 30 31 - 40 41 - 50 51 - 60
4. No. of Dependent(s): 0-2 3-5 6-10
5. Educational Qualification:10th 11th /12th Graduate Postgraduate
6. Designation:Manager Supervisor Senior Junior Trainee

If any other please Specify.....

- | | | | | |
|------------------------------|-----------|-----------|------------|----------------|
| 7. No. of years in this org: | 0-2 years | 3-5 Years | 6-10 Years | above 10 years |
| 8.No. of years of Service: | 0-2 years | 3-5 Years | 6-10 Years | above 10 years |

because of their continuous involvement in daily hotel operations of sale of rooms and food and beverage. Also there was a lot of apprehension in sharing the information from hotel management; hence data collection was a really difficult task. The geographical area was restricted to Pune city and the suburbs which restricted the surveyed population.

RECOMMENDATIONS

The recommendations to majority of hotels are that they should carry out detailed analysis for finding relationship between their various CSR activities and its influence on the employees. This would benefit the hotel organization in the competitive market with a brand name which would help to retain the employees and hotel sales in the long term.

Scope for further research

The research can be extended to three and four star hotel properties in Pune. The research and study can be more comprehensive provided the geographical scope gets extended across India. This will increase sample size and hence more in depth analysis can be done.

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Part B

You work in

	General Shift		First/Second Shift		Night Shift
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What are the welfare benefits/ scheme are provide to you?

Meditation/ Yoga Centre		Gym		Medical Insurance		P. F/ Retirement Benefits		Crèche facility/ Daycare/ Child education fees
Holiday camps and picnics		Housing facility		Group life Insurance		Bus Facility		Gifts on extraordinary performance

Please select the most suitable option	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
I am aware of CSR initiatives carried in My organization					
I do feel 'emotionally attached' to present organization because of CSR initiatives					
My organization is considered one of the best in its sector because of CSR Initiatives					
My organization involves all employees in CSR initiatives					
Employees of my organization are more passionate towards work because of CSR initiatives taken by company					
My organization gives enough training to employees regarding CSR initiatives taken by company					
I feel a great deal of stress because of my job					
I have confidence that the organization will do what's right when interacting with staff					
I feel happy at work because my company offers welfare benefits/ scheme to its employees					
My organization really cares about my well-being and my family					
My company reminds me and fellow workers to take leaves and vacations/holidays					

