

Impact of Corporate Social Responsibility on Environmental Issues in Udaipur Division

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Abstract - Everything that surrounds us and interacts with us is our environment. As human being we constantly interact and interfere with the environment. Due to our interference many times we cause harm or damage to the environment. As we have constant interaction with the environment it plays a major role in our progress and development. Thus, it is not only a moral obligation but also for sustainable growth a mandatory requirement for the enterprise to conserve and protect the environment. Actions taken for the sake of environment protection may be classified as environment protection awareness, creation of healthy environment, conservation of environment and welfare of animals. Many a times it is seen that although organizations spend an ample amount in respect of environment but still no relevant results show up. This may be because either amount is spent towards short term activities, towards non beneficial activities or for activities for appeasement.

Index Terms: sustainable growth, environment protection awareness, creation of healthy environment, conservation of environment, welfare of animals.

Introduction:

Since the very day the earth was created, all the things that existed on this planet, whether living or non-living, were tied in a circle of interdependence or in a circle of life. Over the period of time when one of the elements changed it brought an amend in all the other elements. Each element has always derived its necessity from its surrounding nature and in return has provided something to its surrounding to compensate the necessity of its succeeding elements in its circle. In this way resources have always been renewed from time to time. But as the humans superseded all the other species in every aspect of life whether it is walking; making use of hands; extending their ability of grip by using thumb; communicating with one another; deriving ways of keeping a record of things whether in pictorial form or in script; innovating new easier ways of doing things; making alloys to make things stronger; forming and living in community to provide protection to one another and to ensure mutual well-being of members of their society; they started reaping benefits from nature at a much faster pace than they could return or compensate for. With the beginning of modern age and the time of industrial revolution extraction of resources turned into exploitation of resources. With the passage of time a wide gorge got created in society which bifurcated its members. Those who exploited resources in excess of their share were on one end and those who suffered the consequences of such exploitation were on the other end. Thus arouse the need for the corporate social responsibility under which the exploiters contributed for the well being of the society.

Review of Literature:

“If men are responsible for the known results of their actions, business responsibilities must include the known results of business dealings, whether these have been recognized by law or not”: J. M. Clark, 1916.^[1]

“Businessmen’s decisions and actions should be taken for reasons at least partially beyond the firm’s direct economic or technical interest”: Davis, 1960.^[2]

“CSR is a private contribution to society’s economic and human resources and a willingness on the part of business to see that those resources were utilized for broad social ends”: Frederick, 1960.^[3]

"An economist like Schumpeter, by contrast, would absolutely have none of that. I remember talking to him about the problem and I think Schumpeter was right. If economics had gone that way (like the institutionalists) it would have had to become a primarily empirical discipline, largely descriptive, and without theoretical focus. That's the way the 'institutionalists' went, and of course Mitchell (Wesley Mitchell) was affiliated with that movement": Robert K. Merton, 1968.^[4]

Objectives of the research:

Objectives are like compass, they give direction to task in process. They provide the basic structure for successful attainment of final result. This Research aims to study the impact of corporate social responsibility on environmental issues. During the said research efforts were made with the objective of CSR evaluation in Udaipur Division during the last five year.

Research Methodology:

Data were collected through primary and secondary sources. Geographical area of the study was confined to Udaipur Division including Udaipur, Banswara, Pali, Pratapgrah and Chittorgrah districts. 5 large corporate namely, Birla Corporation Limited, Hindustan Zinc, Rajasthan State Mines and Minerals Limited, Wonder Cement Limited, Secure Meters were taken as sample industries from Udaipur division for the study. Judgment sampling method (non- probability sampling method) was used for selecting sample for the study. To test each hypothesis 50 respondents of different age group from each city were interviewed and structured questionnaires were filled.

Hypotheses Tested:

Following hypotheses were tested in the study -

H_{1.0} There is no significant impact of CSR on creation of environment protection awareness.

H_{1.1} There is significant impact of CSR on creation of environment protection awareness.

H_{2.0} There is no significant impact of CSR on creation of healthy environment.

H_{2.1} There is significant impact of CSR on creation of healthy environment.

H_{3.0} There is no significant impact of CSR on conservation of environment.

H_{3.1} There is significant impact of CSR on conservation of environment.

H_{4.0} There is no significant impact of CSR on welfare of animals.

H_{4.1} There is significant impact of CSR on welfare of animals.

Data Analysis:

1. Creating Environment Protection Awareness:

Table 1

Creation of Awareness about Environment Protection by selected Companies under Corporate Social Responsibility

District	Highly Satisfied	Satisfied	Somewhat Satisfied	Dissatisfied
Udaipur	10	32	5	3
Banswara	16	27	6	1
Pratapgarh	12	24	8	6
Chitorgarh	11	33	2	4
Pali	9	21	11	9

From the view point of general public and employees it is evident that companies are contributing quiet decently for creation of awareness about environment protection. Only 9.20% of the respondents were dissatisfied with the efforts made to spread environment protection awareness. 12.80% of the respondents were somewhat satisfied with the efforts made to spread environment protection awareness. A portion huge as 54.80% of the respondents were satisfied with the efforts made to spread environment protection awareness. And 23.20% of the respondents were highly satisfied. It is even clearer from the chart 4.1 that the companies under consideration have made considerable effort in order to spread awareness about environment protection in the area of their operation.

2. Creation of healthy environment:

Table 2

Creation of Healthy Environment by selected Companies under Corporate Social Responsibility

District	Highly Satisfied	Satisfied	Somewhat Satisfied	Dissatisfied
Udaipur	12	14	15	9
Banswara	15	12	18	5
Pratapgarh	8	17	13	12
Chitorgarh	13	16	8	13
Pali	10	13	11	16

From the view point of general public and employees it is evident that companies are contributing quiet moderately for creation of healthy environment in the area of their operation. Only 22% of the respondents were dissatisfied with the efforts made for creation of healthy environment in the area of their operation. 26% of the respondents were somewhat satisfied with the efforts made for creation of healthy environment in the area of their operation. 28.80% of the respondents were satisfied with the efforts made for creation of healthy environment in the area of their operation. And 23.20% of the respondents were highly satisfied. It is even clearer from the chart 4.2 that the companies under consideration have made considerable effort in order create a healthy environment in the area of their operation.

3. Conservation of environment:

Table 3

Conservation of Environment by selected Companies under Corporate Social Responsibility

District	Highly Satisfied	Satisfied	Somewhat Satisfied	Dissatisfied
Udaipur	19	21	8	2

Banswara	9	18	16	7
Pratapgarh	6	14	22	8
Chitorgarh	18	24	3	5
Pali	11	16	14	9

From the view point of general public and employees it is evident that companies are contributing open heartedly for conservation of environment. Only 12.40% of the respondents were dissatisfied with the efforts made for conservation of environment. 25.20% of the respondents were somewhat satisfied with the efforts made for conservation of environment. Portion of respondents, as huge as 37.20% was satisfied with the efforts made for conservation of environment. And 25.20% of the respondents were highly satisfied. It is even clearer from the chart 4.3 that the companies under consideration have made great effort in order to conserve the environment.

4. Welfare of Animal:

Table 4
Welfare of Animals by selected Companies under Corporate Social Responsibility

District	Highly Satisfied	Satisfied	Somewhat Satisfied	Dissatisfied
Udaipur	14	23	12	1
Banswara	8	16	18	8
Pratapgarh	6	11	24	9
Chitorgarh	9	17	20	4
Pali	7	13	25	5

From the view point of general public and employees it is evident that companies are contributing marginally for welfare of animals. Only 10.80% of the respondents were dissatisfied with the efforts made for welfare of animals. 39.60% of the respondents were somewhat satisfied with the efforts made for welfare of animals. Portion of respondents of 32% was satisfied with the efforts made for welfare of animals. And 17.60% of the respondents were highly satisfied. It is even clearer from the chart 4.4 that the companies under consideration have made some effort for welfare of animals. Portion dissatisfied and somewhat satisfied is marginally more than highly satisfied and satisfied.

To ascertain the significance of contribution of corporate social responsibility in environmental awareness, prevention, and creation Z test was conducted.

$$|Z| = \frac{P_1 - P_2}{\sqrt{P_0 Q_0 \left(\frac{1}{n_1} + \frac{1}{n_2} \right)}} \quad |Z| = \frac{0.605 - 0.395}{\sqrt{0.5 \times 0.5 \left(\frac{1}{250} + \frac{1}{250} \right)}} \quad |Z| = 4.70$$

As the calculated value of Z is 4.70 which is higher than the table value of Z, i.e., 1.96 (at 5% level of significance) which indicates that respondents who consider that CSR is impactful in environmental awareness, prevention, and creation are significantly higher than those who consider CSR as insignificant. Hence, second hypothesis is fully rejected and its alternate is accepted. It can be concluded that there is a significant impact of CSR on Environmental Issues.

Findings, Suggestions and Conclusion:

From the analysis study it has become evident that in aggregate the respondents who are satisfied with corporate social responsibility in environmental awareness, prevention, and creation discharged by the companies under study are 60.50%, whereas, respondents who are dissatisfied are merely 39.50%.

Almost all companies are making their contribution for creation, protection and awareness about the environment. Some are even working for the welfare of animals. People in the area are also satisfied with the efforts made by the companies in respect of environmental issues. But still what they are doing is not enough to protect what they erupt. New plantation of a few hundred thousand saplings within a decade hectare cannot compensate for the grown up trees that were erupted over the wide spread area of the company.

Also, only the plantation is not sufficient. To what extent they are taken care of after that is also very important. Companies are trying to reduce its pollution whether by their goodwill or due to enforcement of law but they are trying. Although they need to try harder as what they care doing is not showing its results.

Efforts have been made for rain water harvesting, regular spray of water in surrounding area, sewage treatment, solar panel power supply, plantation of fruit bearing trees, conservation of Sajjangarh biological park, consumption of fly ash and slag, and research and development to conserve minerals. All these are productive areas and further sincere efforts need to be made in these stretch.

Efforts made for plantation of non-fruit bearing trees, gardens, green belts, beautification of cities, plantation on only world environment day, opening gaushalas, pyau for animals which are not maintained and flower show cum exhibition at Fateh Sagar. These all are futile expenses made by the companies. More than contributing to the environment they contribute to the goodwill and publicity of the company. Such expenses bring the companies into the lime light in front of the public. But what good do they do. Such expenses should be curbed and the result oriented expenses should be incurred.

Reference:

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