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# INTERNAL CORPORATE SOCIAL RESPONSIBILITY PRACTICES AND EMPLOYEES SATISFICATION: CASE OF BUSINESS ORGANIZATIONS OF HYDERABAD REGION

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**Abstract**: Internal Corporate Social Responsibility (CSR) has turn out to be an enormously imperative part of organization's social responsibility. This research empirically explores the concept of internal CSR, its implications in Pakistan, and by what means it enhances the satisfaction and commitment of employees. This study will highlight the context of well managed internal CSR system, which ultimately enhance the production of the firm, and the procedural justice laterally with regimented employee's welfare activities which fallouts in maximum satisfaction and loyalty of employees. Sequential exploratory method is used to accomplish the objectives, two different types of questionnaires for management and for employees were designed, 200 from employees and 15 samples from management were collected. seven interviews are conducted. Data was collected from different organizations of Hyderabad region. Observations after the survey are that organizations of region need to introduce and implement internal CSR practices more affectively. Although employees of organizations with well managed internal CSR practices seems more satisfied and loyal to their organizations. This study will help organizations understand that Implications practices of internal CSR cannot be estimated as expense, but the investment done by firm to enhance employee's satisfaction and ultimately organizational productivity.

Keywords: Internal CSR, Job Satisfaction, job performance, CSR-HR nexus, sustainability of organization.

# INTRODUCTION

In the century 21st where world is facing many environmental, social and economic challenges which need to discourse in a sustainable way in order to achieve a standard of living for everyone. Business world has noticeable impact on the standard of living, social and economic conditions of inhabitants.

Increasing globalization results increase in competition, and in this state, it is very challenging for local and

multinational companies to survive and grow for long, companies trying to introduce environment friendly and socially beneficial polices which meets the demand of customers, this phenomenon initiates the emergence of new trends in business, Globalization has laid and replaced many considerations related to traditional business system.

A sustainable organization is one that contribute in economic, social and environmental benefits-and it also ensures its long-term sustainability as an organization." (Cohen, 2010). Additionally, Cohen (2010) specifies that corporate social responsibility (CSR) is top most emerging trend required for the sustainability of organizations. According to Freeman (1984, p.25), CSR involves benefiting society in different ways that may not directly benefit the company's production and go to the needs of organizational stakeholders. Meanwhile CSR is 'activities that appears to add some social wellbeing, further than the profits of the organizations and that which is obligatory by law' (McWilliams and Siegel 2001, p. 117).

European Commission (2001) alienated CSR policies into two proportions, the internal including human resources policies, environmental impact management, health and safety, career development and other welfare activities etc.), and the external dimensions including local communities, customers, suppliers, supply chain and human rights, ecological problems.

Although Internal CSR includes those activities which are associated to all internal developments of the company (Brammer et al., 2007), Internal CSR (employee) includes, Provision of unbiassed wage system, cultivating better psychological environment at work, engaging honest, open and healthy communication with employees, concerning employees into decisions-making process, Contributing to career and personal development of the employees (Vida Skudiene, Vilte Auruskeviciene 2012).

Friedman (2009), argues that if a company desires to enhance organizational worth, the HR function must focus on activities that shape employee capabilities and motivation that in turn positively influence corporate reputation. According to Wilcox developing a strong relationship between HRM and CSR can boost society's development and deliver benefits for the organization. Similarly, there is no doubt in saying that HR function

may play a dire role in facilitating development of CSR strategy, for purpose of embedding CSR within corporations through implementation and related change issues. (Dirani et al, 2010). Tallying with this argument, HRM function is correspondingly a predominant responsibility which affects all subdivisions in organizations. Even though HR also has responsibilities concerning this role which includes provision of necessary training opportunities for employees to recognize with the CSR activity and provide the essential support during implementation. (Benjamin et al, 2011), The HRM structure should adopt primary responsibility for managing CSR activities. (Benjamin et al, 2011). Admitting Proceedings of Meisinger research in (2007) employment practices appear to satisfy employees through enhanced morale, improved engagement, better retention and higher efficiency.

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The present study will highlight the context of fairly managed internal CSR system which ultimately enhance the production of the firm, the procedural justice and well organized employees welfare activities increases the motivation of employees toward work, and results in maximum satisfaction and loyalty through the research, I may be able to find out the fact that internal CSR also has area of concentration for firm to enhance the capacity and production.

# LITERATURE REVIEW

To measure the effectiveness of internal CSR on employee performance there was prerequisite to go through diverse terms which associates the employees' performance with the CSR. Many researchers have dig out the elements and relationships between them and many others defined them individually, the given below researches are being conducted in different scenarios of different countries.

**SUSTAINABILITY:** Views start from the term sustainability, global world focusing on sustainability as foremost priority and emerging challenge these days, in this framework Cohen, (2010) defined Sustainability as the ability "to meet the current needs without conceding future needs the ability of future generations.

# CORPORATE SOCIAL RESPONSIBILITY (CSR):

This study scrutinizes the multilayered impact of CSR on employee's commitment and organizational performance. CSR is a comprehensive term which is delineate by different researchers in different proportions concluding the similar notion. Like Maignan and Ralston in 2002defined CSR as companies 'the set principles and processes that takes place in minimizing the negative impacts and maximizing the positive impacts on organizational performance'. CSR is basically collection of actions that may results in some social wellbeing, beyond the profit of the organization which is obligatory by law. (McWilliams and Siegel 2001). Researchers are advising corporations to consider the amount spent on CSR as investment than expenses. CSR is focused on corporations, in strengthen their relationships with diverse stakeholders including government, customers, employees, investors, and suppliers.

**INTERNAL CSR:** Illustration from neo-institutional concept, we can differentiate external and internal CSR practices and argue that they together contribute in accumulation of intangible resources of firm and consequently linked with better market value. OLGA HAWN1\* and IOANNIS IOANNOU2 (2016)

European Commission (2001) distributes CSR practices into two dimensions, internal which involves HR policies, health and safety, psychological environment at workplace etc. And the external dimensions which includes local communities, suppliers, human rights, customers, and ecological issues, etc. External CSR activities comprise of responsible behavior related to the company external stakeholders which are responsible for external operations such as customers, business partners and local communities, (Skudiene and Auruskeviciene2012), whereas Internal CSR actions are associated with all the internal operations of organizations (Brammer et al., 2007). Internally CSR nurtures a sense of trust and loyalty among the employees. Which helps to develop operational effectiveness and frequently accompanied by increases in quality and productivity of firm, which then serves as gentle diversion from routine workplace operations and bounces a sensation of gratification and add a purpose in lives of the employees. (Fonceca and Jebaseelan, (2012). Heal in 2008assumed that Even though internal CSR may not be observed by consumers and has no direct influence on consumer's value. But the internal CSR has a positive impact on employee efficiency.

**INTERNAL CSR -HR NEXUS:** HR plays a vital role in developing policies and practices where business objectives are evaluated, and values are aligned to tie with the expectations of the employees. Human resource management has a central role in ensuring that 4943

organization abides by recognized lawful and ethical standards.(Rimanoczy and Pearson, 2010:14).Agarwal (2007) specified that the implementation of HR policies, like periodic assessment of employee performance, sufficient training for the workforce and career advancement models for their employees, creating motivation and commitment in the workforce of the organization can obtain the full business benefits and by acquiring satisfaction of all its stakeholders they would be among leading organizations.

However various scholars have highlighted the importance of HR in suitable implementation of CSR activities. CSR activities should measure effectively, appraised and reviewed by the Human Resource department meanwhile the worth added by CSR form achieved results linking to economic savings and indirect results in employee's satisfaction which results in less employee turnover. These factors contribute to improved business performance. (Fonceca and Jebaseelan, 2012). Additionally, they linked the CSR with HR department as they proposed that HR is supposed to be the coordinator of CSR activities in attainment of employee relationship which is prerequisite for founding an effective relationship with external stakeholders and thus can turn the employees and the organization towards a socially responsible atmosphere.

Though in many aspects we can examine a clear association of HR and CSR. On the other hand, companies are also concerned about increasing employee's turnover, little motivation which results in employee absenteeism. Scholars on employee behavior and corporate social responsibility suggest use of CSR to build strong employee bond with corporations and to better achieve employee and organizational Now questions arise how these both performance. functions can affect the employee's performance? Let us explain this in view of some authors.

The elaborated research of Rehman, et al in 2010 concluded that employee's commitment can be enhanced by implementing CSR activities in organization. The study debates significant allegations concerning practices of CSR for improving employee's organizational commitment and improving organizational performance. He named committed as critical success factor for employees anv organization. He claimed that to develop sound relationships with employees' organizations are using

CSR as a tactical tool. He further illuminated leading using corporate organization that are social responsibility to create a useful association not only with external stakeholders but also internal stakeholders as well for employees. Alicia in 2012 originate a link between employees" perceived CSR and their performance and turnover intentions. He explained two mediators, primarily organization-based self-esteem and organizational justice, which affects their relationship their impact on CSR and organizational and performance. Liebowitz, (2010) elucidated frequent examples demonstrating through which we can justify, how a HR system has assisted organizations to develop a sustainable culture. This comprises of creating a substantial change to the organization's systems for recruiting applicants, selecting new employees, conducting new employee orientation, directing performance evaluations, shaping employee generating a succession planning compensation, process, fascinating employees with training and development, and mentoring employees. It also involves creating a win-win collaboration among stakeholders who conflict with each other. Findings of Rupp et al. (2006) are fascinating in this connection. They say if an employee observes that his or her organization behaves in obvious socially irresponsible way, he or she will be likely to exhibit negative work attitudes and behavior.

Finally, we can conclude the whole session with statement of (Bashir et al, 2012) who clarified that organizations' corporate social responsibility activities surely influences employees' attitude towards the organization resulting into better level of organizational belongingness and job satisfaction among them that, which ultimately improve the organizational productivity.

**DIFFERENCE BETWEEN INTERNAL CSR AND HR PRACTICES:** Previously we have discussed the nexus between CSR AND HRM practices. Here the question arises that, is there any difference between these two terms? Even though both the terms are nearly relatable to each other with few conceptual differences. Therefore, it is necessary to discuss these differences in detail. Harsha (2014) described the basic difference between CSR and HRM, as Internal CSR is societyoriented concept it mainly emphasis on wellbeing of Human. While the HRM is organization-oriented concept which focuses on organizational profitably. Similarly, Bratton and Jafery in 2003 specified HRM as 4944

strategic approach which work on employees to achieve and maintain high profitability and competitive advantage. Ulrich and Brockbank (2015) clarified that HRM is typically designed to focus on employee's engagement along with administrative support to enhance compatibility and suitability of the organization. Although Internal CSR is faithfully concerned about the employees related issues and practices which should be justified by HRM.

Hence, we can say that HRM is performance of activities like recruitment and selection, compensation, training, performance appraisals and performance of these activities in a fair and equitable way includes in category of Internal CSR (Jordy et al; 2017).

# **RESEARCH GAP**

It has been evaluated from literature, that there is need to have researches on internal CSR, especially in Pakistani scenario, existing literature mainly focuses on the External CSR and a very little focus on the implication of internal CSR system, although it has also profound impact on human wellbeing and firm's production. Likewise, the study conducted by Al-bdour et all. (2015) in banking sector of Jordan on the relationship between internal corporate social responsibility and organizational commitment suggested that there is big gap in researches regarding Internal CSR future studies should conduct in different sectors and countries which may reflect the belongings of internal CSR in organizations. Likewise, another study conducted in Pakistani scenario by Imran et all; (2016) this study also recommended future research may be related to conceptualization of perceived internal CSR practices at different organization of Pakistan.

# **Research Objectives**

- 1. Identify factors of Internal CSR.
- 2. To identify internal CSR initiatives of human resource department of business organizations in Hyderabad region.
- 3. To measure the satisfaction of the employees with implementation of internal CSR

# **RESEARCH DESIGN**

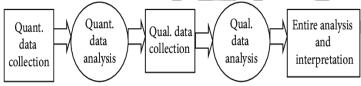
To accomplish the research regarding internal CSR practices and Employees satisfaction, both the qualitative and quantitative approach of conducing

survey was applied. Primary data were preferred to the collect required information.

For this purpose, two types of questionnaire comprising of twenty-five and ten questions were developed. The questionnaire was distributed among different organisations of Hyderabad region, i-e PTCL, National bank of Pakistan (NBP), State Life Insurance, Sandoz pharmaceutical, Fateh Textile, Hero construction, Indus Hotel, Pizza Hut. Two hundred Probability samples were collected from different organizations of Hyderabad region along with Six interviews were conducted from managers of Organizations. Mixed methodology was adopted both the Quantitative and Oualitative research approach were used.

From mixed mythological study, a sequential explanatory method has been adopted. this study has combined the strengths of both qualitative and quantitative research, relating concepts and views and, associating results of both mythologies to figure an ultimate interpretation from them.

Sequential explanatory method of research is combination of qualitative and quantitative methods to get more suitable results, Phillip et al, (2017). Sequential explanatory can be better described from figure



Quant.: quantitative Qual.: qualitative

# DATA COLLECTION METHOD

With the help of questionnaires, data from the employees and management of different organizations were collected. two types of questionnaire were developed one for management which comprises of ten closed ended YES/NO questions, which was designed to find out the policies and initiatives of internal CSR practices. Another questionnaire was designed for operational staff to measure their satisfaction about CSR initiatives. The questionnaire was comprised of twenty-five closed ended likard scale questions. Almost two hundred twenty questionnaires for operational staff were distributed among different organisations, out of which we could able to get two hundred responses. And twenty questionnaires of management where distributed, fifteen

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were received back. Six Interviews of mangers were also conducted. Primary data was collected-Questionnaire survey and Interviews. 200 samples were collected from different organizations of Hyderabad region

#### DATA ANALYSIS TECHNIQUES

Data was analyzed through different tests applied on SPSS like Cronbach's Alpha was applied to measure the Reliability of the data. Frequency distribution, descriptive analysis Graphs were also used to evaluate the data collected from different sources to rationalize the objectives. Furthermore, literature was endorsed to find out the factors of internal CSR used to measure the perspectives of internal CSR.

Data was analyzed through SPSS

- Cronbach's Alpha for Reliability Test applied.
- Frequency distribution
- Graphs.

### DATA ANALYSIS AND RESULTS

Data was analyzed through different tests applied on SPSS like Cronbach's Alpha was applied to measure the Reliability of the data. Frequency distribution, descriptive analysis Graphs were also used to evaluate the data collected from different sources to rationalize the objectives.

Furthermore, literature was endorsed to find out the factors of internal CSR used to measure the perspectives of internal CSR.

#### Management's Reliability Analysis Test:

#### **CRONBACH'S ALPHA**

Table no 4.2 Cronbach's Alpha

| Cronbach's | N of  |
|------------|-------|
| Alpha      | Items |
| .673       | 18    |

Reliability of factories as that Cronbach's Alpha was used to evaluate the reliability of the various dimensions. Hair et al. (1998) stress that a Cronbach Alpha value above 0.70 represents 'acceptable' reliability; above 0.80 is 'good', and a value above 0.90 indicates 'excellent' reliability. Therefore .673 Cronbach alpha is considered good.

#### **Objective 1**

Identify factors of Internal CSR.



Figure 4.1 factors of Internal CSR

1<sup>st</sup> objective of the research was to find out the factors of Internal CSR. Polák et al. (2013) recognized practices of internal CSR comprise of employment, managementrelationship, employee employee training and development, health and wellbeing, and workplace inclusion. Jayamalathi et al (2016) demarcated five dimensions of internal CSR namely compensation and benefit, health and safety, training and development, workplace diversity and work life balance. Another study on CSR completed by Chatzikosta in 2016. He explored the four internal CSR practices, which are Employee Training and Development, Justice and Fairness at workplace, Health and Safety at work and Work-life balance. Different studies have perceived distinct factors for measurement of the internal CSR. Out of which I found seven most common factors among them. These factors are

- Compensation and benefits
- Promotion and rewards
- Health and safety
- Training and development
- Workplace ethics
- Freedom of association and Collective bargaining
- Flexible working hours

4946 COMPENSATION AND BENEFITS: Providing equitable wages and other benefits to employees which not only fulfil their basic needs but also help in raising their standard of life.

Sial et al. (2011), defined compensation as a financial return that an organization must give to their employees. He further said that this kind of return will not only motivate employees for them to work with the organizations due to their basic needs are fulfilled, but also have a direct effect on their economic boost up and organizational growth.

Similarly, Jayamalathi et al. (2016) further endorsed compensation and benefit as the strongest predictor in affecting employees 'perception on organizational commitment. Although according to Tenhiala and Lount (2013), the execution of effective compensation system in an organization can have substantial influence on the emotions of employees in a workplace.

**PROMOTION AND REWARDS:** Many researchers have estimated the positive relationship between rewards and employee motivation. Organizations should have an effective reward system to preserve the Employees and their basic rights in the organization and reward should be related to their performance (Carraher et al, 2006).

Rewards can be monitory and non-monitory, nonmonitor rewards psychological rewards like appreciation, expectation for better performance. Frey (1997) identified that non-monetary or Intrinsic factors are stronger motivators, and staff motivation requires such rewards, like appreciation at doing a good job and a sense of doing something appreciated. Although Aroosa et al (2014), identified monetary rewards as substantial rewards such as pay, fringe benefits, job security, promotions, private office space, and the social climate. According Bonner and Sprinkle, (2002) Monitory rewards encourage employees to carry out valuable tasks for the organization

**HEALTH AND SAFETY:** Conferring to Keraita et al (2013), The employees who remark and feel the work environment to be safe, even healthy will give them feeling of being valued and might work with more satisfaction and loyalty. Sutherland et al. (1990) argued that organizations need to invest resources and ensuring that the work environment is safe and healthy for employees. By safeguarding that equipment's are functioning correctly and weather the workspace is

tolerable. Through this way employees will feel more safe and secure at their workplace and will become more committed to the organization.

**TRAINING AND DEVELOPMENT:** In today's competitive labor market, there is high demand for skilled workers. training not only facilitate employees with required professional and technical skills, but it also shows that companies are attentive in investing employees and providing them a chance for better career development, said Keraita et al (2013).They further said that if organizations want to keep their employees satisfied, loyal, and competitive, they need to be conscious of needs for training and education of employees.

**WORKPLACE ETHICS:** Ethical behavior and procedural justice at the workplace should be included in the organizational policies, through which organizations can ensure that employees are treated Fairly, Equally and Ethically (Collier and Esteban, 2007).

**FREEDOM** OF ASSOCIATION AND **COLLECTIVE BARGAINING:** Listening the word Freedom of association and collective bargaining first thing comes in our mind is labor Union. Organizations should set free their employees to establish any labor union and they must be given rights to bargain collectively at workplace. M. Shaukat Malik et al (2011), demarcated that Unions represent the nonmanagerial staff of an organization which work for their basic rights i-e salary rise, promotions, better working environment and employee safety etc. the concluded that most significant roles which unions are intended to perform are to reduce income inequality protecting the rights of the workers, improve working conditions for employees, , ensure standardized income to the workers and providing them equal opportunities in rewards promotions and other benefits.

FLEXIBLE WORKING HOURS: Employees must be given flexible working hours, so they could remain connected to their social life and family responsibilities. Rendering to Parkes and Langford (2008), work life balance is extent to which employee's would be able to balance their work life along with family responsibilities. Smith and Gardner (2007), have found that some of the organizations which promote work life balance by providing their employees flexible working hours and offering employee 's the opportunity to join

4947 social events, are actually showing their care towards employees.

# **OBJECTIVE 2**

To identify internal CSR initiatives of human resource department of business organizations in Hyderabad region.

To verify the objective number -2 each question is justified with the help of this pie chart:

### Separate Department

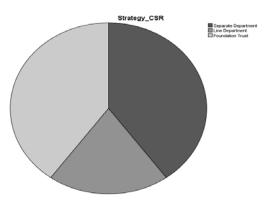


Figure 4.2 department for CSR

The first question asked was about the department /unit where CSR operational activities should take place. It's general perception that, if any organization initiated a separate departed to conduct CSR activities, its shows that the organization is more concerned about CSR.

The question asked was whether the organizations have separate department for CSR, or line department. The result showed from the collected data as 40% organizations have separate department,40% have foundation trust, Rest 20% work for CSR with line department.

#### **Child Labor Policy:**

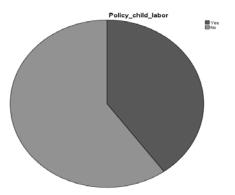
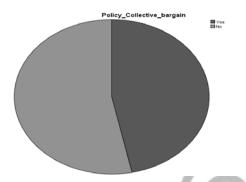


Figure 4.4 Policy Child Labor

Child labor is very common in under-developed and developing countries, In Pakistani scenario a very large

number of organizations use to hire adults (under the age of 18 years), due to their low wage demands. Government have announced many polices concerning child labor to prohibit the vigorous organizations for hiring the adults under age of 18years. Organizations were asked whether they have any definite policy to secure children rights or child labor. According to the results we get 40% of organizations have introduced the policies for child labor, even though a great number of 60% organizations. Hence it is an alarming situation majority of our organizations don't concern about securing the future of our adults.

#### **Collective Bargaining**

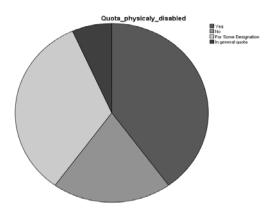


# Figure 4.9 Policy Collective Bargain

Collective bargaining is somehow similar with freedom of association, employees collectively demand for their rights to the management and it ensures standardized income to the workers and providing them equal opportunities in rewards promotions and other benefits.

Even though only 45% organizations do possess the policy to allow employees for collective bargaining whereas 55% don't have such policies even some of them didn't know about such policies.

#### **Quota Physically Disabled**



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Its social responsibility every of every business give equal opportunities to physically disabled persons, these need to motivate to express their talents at professional level, but unfortunately only 45% organizations from my sample have policy for quota of differently abled person,35% have such quota but for some designations ,15% have no quota at all, 5% articulated that they have general quota through which disable person can apply as well.

### FINDINGS

Through our instrument we have found that in our selected sample, there is no organization, which doesn't use any type of CSR practice and it shows the importance of CSR in today's world. It has found that organizations of Hyderabad have adopted some initiatives of internal CSR although they lack others. however only 20% organizations have policies regarding Child labor and Quota for differently abled persons.

The activities like, Health and safety policies, Freedom of association (labor union), Basic Human rights (everyone deserves respect). There are initiatives which have been adopted by almost 90% of organizations among my sample. They have also introduced specific policies for each of them. 60% of organizations have introduced following initiates of internal CSR.

Compensation and benefits (salary, bonuses, allowances, promotions, increments), Right of Collective bargaining, better working conditions. (flexible working hours, mandatory leaves, overtime dues).

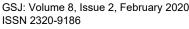
#### **OBJECTIVE #3**

To measure the satisfaction of the employees with respect to internal CSR

**Frequency Distribution Test:** In frequency distribution test we will analysis results by variables by variables and in the end will conclude based on results, histograms for every variable also been attached to show the graphical representation.

#### FREE FROM DISCRIMINATION:

Figure 4.11 quota physically disabled



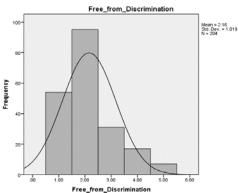


Figure No 4.12 Free from Discrimination

The main question was that do you think that your work place is free from any discrimination and majority responded as agreed, and the next highest number is of strongly agreed which cumulatively made 73% of total responses which means their work place is free from all sort of discrimination.

### WORK LOAD AND PRESSURES



Figure No 4.15 Employees Not Machine

The question that does company think that employees are individuals not machine explains that either there is work harassment or not. Employees often get unsatisfied from work harassment and find difficult to work in an environment where the work load is beyond their capacity and somehow its losses up their morale. Finding of this variable are indistinct as we can see that the standard deviation is above 1 in this case so there is a lot of movement in replies and stress is on option 1 & option 2 whereas a higher number of respondents also went for the neutral option thus we can consider that sometimes they think the workload is sometimes beyond their working capacity.

# WORK LOAD AND PRESSURES

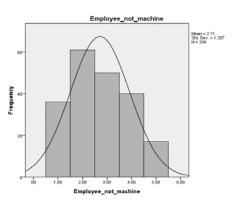


Figure No 4.15 workload and pressure

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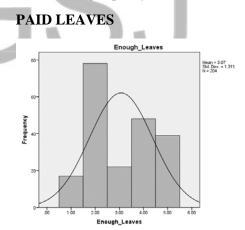


Figure No 4.19 Enough Leaves

Huge number of employees agrees that the numbers of leaves they are provided with, are enough to meet their necessities of their personal life.

# PRESSURE FROM UPPER MANAGEMENT

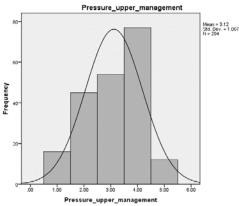


Figure No 4.25 Pressure Upper Management

Majority disagreed on the statement that they feel pressure from upper management and it's hard to leave workplace which also shows the intensity of work load.

Number of disagreements is yet not so high and a bit closer match to the respondents agreed on this statement.

As mean is very near to neutral and standard deviation is slightly over than 1, thus it's clear that majority of respondents either agreed or disagreed, number of disagreements are much higher than neutral even in frequency.

#### **QUALITATIVE APPROACH**

**Content Analysis:** Conferring to Cole (1988), content analysis is the technique of investigating written, verbal or pictorial statement messages. Qualitative content analysis is a appreciated tool to supplementary traditional quantitative content analysis, it aims to categorize important themes and categories within a frame of content, and to bring a rich explanation of the communal authenticity formed by those themes., Yan and Barbara (2010).

In order to further rationalize my objectives, seven interviews were also conducted from Administrative person of the organizations. These interviews were conduct from the administrative persons of PTCL, NBP (Main Branch), Hero Construction Co, Fateh Textile Itd , Pizza Hut , Indus hotel, and State Life Insurance Pakistan.

From these interviews most common answers from mainstream are extracted for analysis. Answers are analyzed through Content Analysis process with the help of Content analysis method proposed by Christen and Petra (2017).

The question was asked whether the organizations are aware of the term Internal CSR answers were collected analysed through content analysis procedure, finally concluded that the organizations of my sample believe that introducing CSR in organization can be costly, due to limited p njurobability they cannot afford to introduce.

| Theme                     | CSR is not their duty , but fit for multinational  |
|---------------------------|--|
| Category                  | Apprehension about Internal CSR  |
| Code                      | Lack concern   |
| Condensed<br>Meaning unit | Lack of knowledge about Internal CSR , CSR is fit for big organizations  |
| Meaning Unit              | They answered only about External CSR , and were unaware of internal<br>CSR Concept, they also told that CSR is responsibility of big and<br>multinational organization. |

# Low Compensation & Employees considered as Cost Centre

Question were asked about the retention of employees, the response was that due unemployment in the Pakistan, it is very easy to avail and retain employees at minimum wages and conditions, although it seems that organizations don't associated with minimum wage rate policy regulated by government.

| Theme                     | Low Compensation & Employees considered as Cost Center  |
|---------------------------|---|
| Category                  | Minimum wage rate not applicable , No efforts carried out to retain employees,  |
| Code                      | replaceable employees at lower wages  |
| Condensed<br>Meaning unit | Can avail employees at lower wages , don't need efforts to retain employees.  |
| Meaning Unit              | They told that due to unemployment they can easily avail the employees at lower wages, they don't have to work hard to retain employees . |

#### Lack of Flexible working hours

Providing flexible working hours to employees for enabling them to maintain their social life is very necessary for all the organizations but unfortunately organizations timing in my sample is extended to average working hours, they cannot leave office at estimated time due to workload.

#### Apprehension about Internal CSR

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| Theme                     | La ck of Flexible working hours  |
|---------------------------|--|
| Category                  | Office work is preferred on social life of employees.  |
| Code                      | Time for leaving is not fixed  |
| Condensed<br>Meaning unit | Employees have to reach on time , but no fix time to leave the office  |
| Meaning Unit              | They told that time of arrival for employees is fixed, they have to reach 15 minutes before time ,but time for leaving the office may extend due to work load. |

#### Performance review and freedom of association

From the interviews it has been observed that the employees are not free as they should be, they avoid participating in associations and making unions, because they feel that doing this might affect their appraisals, which expresses a dictatorial nature of admiration towards the employees.

| Theme                     | Accept what is given   |
|---------------------------|--|
| Category                  | Performance review and freedom of association  |
| Code                      | Unions affect appraisals   |
| Condensed<br>Meaning unit | Employees don't make unions , because they might concern about their appraisals.   |
| Meaning Unit              | Employees are free to make Unions , but they don't do because unions<br>are usually considered as anti administration units and they might not<br>distress their annual Appraisals . |

# CONCLUSION

Through our instruments we have found that in our selected sample there are no organizations which don not use any type of CSR. It can be determined that organizations of Hyderabad have very well adopted some initiatives of internal CSR although they have to work on few others.

It has been observed that in the organizations of the region, employees might be facing perceived unfairness in respect of workload, promotions and appreciations, working hours, and fewer paid leaves which make it hard for them to maintain their social life. Although from the survey and interviews it has also been concluded the parameters like Health and safety, pressure from upper management, training and development, honest performance review, employees not treated as machines are also not implemented

# FINDINGS

Conferring to the response of my selected sample, Majority of the respondents were disagreed on the question Whether the workplace is free from any type of discrimination? And Whether the employees get enough leave days? It shows that employees might be facing perceived unfairness in respect of workload, promotions and appreciations, according to the survey employees are also working at tough working conditions due to fewer paid leaves they cannot maintain their social life.

Although most employees expressed great satisfaction toward other aspects of internal CSR, which shows that Organizations are fairly concern about their employees. It has also been found that a numerous number of employees stayed neutral in Health and safety, pressure from upper management, training and development, honest performance review, know what to do in emergency, employees not treated as machines. For the option of neutral we can suggest a hypothesis that either employees are not giving their trust to say NO, or It is the mean (middle) option which can be explained as neither they are very Happy with the existing system nor disappointed. Through our instruments we have found that in our selected sample there are no organizations which don't use any type of CSR, it can be determined that organizations of Hyderabad have very well adopted some initiatives of internal CSR although lack few.

Although from the interviews it has been found that and observe that the organizations

satisfactorily in most of the organizations. As of the interviews we can rationalize that organizations have introduced the various initiatives of Internal CSR, but they lack the proper implementation of such policies.

It has also been concluded that due small size and less productivity the organizations of the region, cannot meet international standards of internal CSR, even though they believe that employees' satisfaction is directly proportional to productivity, which can be achieve through internal CSR Practices, for the reason they are continually trying to adopt and improve such practices to the organizations. Likewise, Ioanna et al, (2018) also concluded that Effectively executing internal CSR activities in any organization is not easy. Because it is very challenging, resource-demanding and time consuming, yet everyone should claim to be

engage in internal CSR initiatives if he/she willing to sincerely participate in the well-being of employees.

Overall after this research we can suggest that CSR need to implement not only externally but internally as well, to improve the satisfaction of employees which consequently enhance production and commitment to the organization. CSR is a need of organization to survive in today's competitive environment, where you need to provide more value not only to your customers but employees as well.

# RECOMMENDATIONS

Persistence of Human Resource department is not only to provide profit to the entrepreneur, but then again to keep a proper coordination between employees and the proprietors as well, they are supposed to make policies which not only enhance owners benefit but work for employee's satisfaction and development as well by creating a win-win situation and building a strong relationship of loyalty and commitment between employees and owners. Further

Companies need to recognize employee's contributions by giving them awards and rewards as appreciation for their good performance. Employees need to give promotions and increments properly at time.

Organization need to provide appropriate training for the career development. Employees should be given training according to their job duties and weaknesses to enhance their capability.

Organizations need to encourage differently abled persons, and minors by providing separate quota in jobs.

HR department need acquaint with policies which not only encourage company's benefits but of employees as well by creating a win-win situation,

# LIMITATIONS AND FUTURE RESEARCH

The limitations of this study were;

- Due to the limitation of time and approach this study is limited to Hyderabad region only. Due to survey conducted at workplace employees were not feeling reliable to give their feedback accurately.
- Future studies can be conducted on large scale of any state or country level, to effectively analyses the existing and potential practices of internal CSR.

 Further work should be done on comparing internal CSR practices of Pakistani organizations versus organization of developed countries.

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## SIGNIFICANCE OF THE STUDY

This research will help to understand that expenditure done on employees for better career development health, safety, and other employees' welfare activities, which results in employees' satisfaction which can enhance organizational performance and sustainability.

Implications of such practices of internal CSR cannot be estimated as expense, but the investment done by firm to enhance employee's satisfaction and ultimately organizational productivity.

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