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THE EFFECTS OF CORPORATE SOCIAL RESPONSIBILITY ON ORGANIZATIONAL PRODUCTIVITY IN NATIONAL DETERGENTS OMAN

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ABSTRACT

This study examined National Detergents Oman's CSR and productivity. Quantitative data analysis and qualitative interviews examined CSR's effects, types, implementation variables, and measures to improve CSR practices. Data was collected from a sample size of 198 respondents. Data analysis included descriptive statistics, chi-square testing, correlation analysis, one-way ANOVA, factor analysis, and regression. Key discoveries emerged. First, CSR activities were associated with increased employee productivity. CSR agreement, implementation, and effectiveness differed across employee categories, revealing different firm viewpoints on CSR. Factor study revealed CSR components (agreement, implementation, and effectiveness) and organizational productivity satisfaction. Regression study showed that CSR agreement and implementation greatly increased employee satisfaction with organizational productivity, although CSR effectiveness did not. The report recommended improving employee engagement and CSR communication, customizing CSR activities for different employee groups, improving CSR implementation and effectiveness, creating a happy work environment, and conducting longitudinal research with more data. Future research should examine CSR's long-term effects on organizational productivity, its industry-specific effects, and its cross-cultural effects to account for cultural differences.

Background of the Study

Corporate social responsibility (CSR) is a way that organizations can be held socially accountable to themselves and their shareholders by giving back to the community. The practice of CSR offers an avenue of presenting a corporation's reputation and brand name to the public by

participating in various activities such as sports and development among other ways (Singh & Misra, 2021). An organization's productivity is the manner that a corporation is efficient by ensuring that set goals and targets are met with the laid down strategies (Alkhadra et al., 2022). However, an organization's productivity can be improved using various ways but the study will focus on how CSR can be a factor to facilitate better productivity at the National Detergents Oman. The effect of CSR on the selected case study will be measured by the amount of output that an employee can produce within a defined framework and manpower.

The possible influence of CSR on organizational productivity has drawn increasing attention. Others contend that CSR measures may increase a company's profitability by boosting its reputation, boosting client loyalty, and luring and keeping top personnel. Others claim that if CSR is not handled properly, it might distract from a company's main business operations and potentially lower productivity (Barauskaite & Streimikiene, 2021). An increasing corpus of studies has made an effort to clarify the connection between organizational productivity and CSR. While some studies have revealed little to no influence, others have discovered a significant correlation between CSR and a company's financial performance. Similarly, to this, some studies have indicated that CSR can boost employee happiness and morale, while others have found no discernible effect (Newman & Gough, 2020). Several variables affect the result of the complicated and contentious link between CSR and organizational productivity. The effect of CSR on organizational productivity depends on a variety of factors, including the specific CSR efforts that a firm has undertaken, the industry in which it works, and the general economic and social climate in which it operate

Statement of Research Problem

Corporate Social Responsibility (CSR) is a component of corporate operations that has grown in importance as organizations strive to improve their reputations and benefit society. The effect of CSR on organizational productivity, however, is still debatable and unknown. There is disagreement over the precise impact of CSR on productivity even though there have been several examining the connection between CSR and organizational performance (Sameer, 2021). The methods through which CSR can affect productivity as well as the contextual elements that modulate this connection need to be explored in more detail. Therefore, the

goal of the current research is to identify and address the problems and difficulties related to the effects of corporate social responsibility on organizational productivity, including the variables that affect this relationship and the mechanisms by which CSR can affect productivity.

Aims and Objectives of the Study

Aims

Corporate social responsibility (CSR) is treated as a tool that facilitates the model of increased productivity within organizations. The study aims to find out the impact caused by CSR on organizational productivity in National Detergents Oman.

Research Objectives

1. To examine the effects of corporate social responsibility on organizational productivity in National Detergents Oman.

2. To analyze the types of corporate social responsibility.

3. To evaluate the factors that affect the implementation of corporate social responsibility in National Detergents Oman.

4. To investigate the strategies that enhance corporate social responsibility practices in National Detergents Oman.

LITERATURE REVIEW

Corporate Social Responsibility

According to Latapí Agudelo (2019), CSR is a way of managing companies in ways that can lead them to have an integration of social and environmental concerns in the regions of operation. The CSR activities are planned with the companies' stakeholders who give light to every action and budget for the resources to be given to the public or community concerning a certain issue at hand. But the definition given by Sharma (2019), CSR is a way that businesses commit to giving back to society through operations like engaging in community activities and offering to support with identified resources that can facilitate projects or development activities.

Organizational Productivity

Organizational productivity is how organizations work efficiently among determined members and projects. The productivity is managed and handled by proper management and strategies. According to Grimani et al.'s (2019) findings, organizational productivity is a crucial component of any successful firm, and it has garnered a considerable amount of research throughout the years. A literature review on the subject of organizational productivity would typically consist of a study of the research that has already been carried out on the subject of organizational productivity.

The Effects of corporate social responsibility on organizational productivity

The benefits of corporate social responsibility (CSR) include an increase in consumer loyalty, an improvement in brand recognition, improved worker engagement and retention rates, and a reduction in the danger of legal action or unwelcome press.

In addition, CSR can help a company avoid negative publicity.

Businesses, managers, researchers, and stakeholders are increasingly interested in corporate social responsibility (CSR). Organizations take voluntary efforts to reduce their social and environmental effect. CSR has been linked to corporate productivity. The research analysis examines how CSR affects firm productivity (Mehralian et al., 2016). CSR practices increase corporate productivity, according to recent studies. Employee involvement, stakeholder interactions, brand loyalty, and reputation can boost productivity. Firms can strengthen relationships with customers, shareholders, and employees by employing CSR practices (Giannarakis et al., 2016). Strengthened relationships with customers improves the company's image and brand loyalty. Brand loyalty boosts sales and productivity.

CSR activities can also boost staff morale. CSR programs can boost employee happiness and retention by increasing company identity. CSR programs also boost worker creativity, productivity, and performance (Mensah et al., 2017). CSR programs encourage staff and strengthen stakeholder connections, increasing productivity.

The types of corporate social responsibility

According to Wang and Huang (2018), environmental responsibility is the idea that businesses and other organizations should act in a manner that is as ecologically beneficial as practically practicable. This may involve lowering carbon emissions, increasing the use of environmentally friendly materials, and cutting down on waste.

According to Jamali and Karam (2018), the term "philanthropic responsibility" refers to an organization's dedication to "giving back to society" in the form of charitable donations and involvement in the local community. This may involve giving money or other resources to organizations that are not-for-profit as well as taking part in volunteer work in the local community.

According to Kim et al. (2018), the term "ethical responsibility" refers to an organization's commitment to upholding human rights as well as ethical business practices. Ethical responsibility can involve employing fair labor methods, responsibly obtaining products, and maintaining openness in all aspects of business operations.

The factors affecting the implementation of corporate social responsibility

According to Zhang et al. (2019), the size of the company is another element that plays a role in determining how CSR is implemented. Small and medium-sized businesses (SMEs) frequently do not have

the resources necessary to carry out CSR projects in an efficient manner. Larger organizations, on the other hand, have access to more resources and can devote a greater portion of their budget to CSR projects (Zhang et al., 2019). In addition, because larger organizations are subject to a higher level of scrutiny from a wider variety of stakeholders, they frequently have a greater motivation to execute CSR efforts. This was brought to light in the research conducted by Mahrani & Soewarno (2018), who discovered that the size of the organization had a substantial impact on the execution of CSR initiatives.

According to Garde Sanchez et al. (2021), modern company relies more on corporate social responsibility (CSR). All firms must fulfill their social and environmental obligations. Size, vision, stakeholder pressure, and CSR commitment can make CSR implementation difficult for organizations. Firm size affects CSR implementation. Large companies can invest more in CSR due to economies of scale. Large companies can also afford CSR divisions to administer policy and social projects (Kong et al., 2020). Due to financial, personnel, and time restrictions, small and medium firms may struggle to adopt substantial CSR practices.

Leadership vision also affects CSR implementation. Top management is more inclined to invest in CSR if they believe it is crucial to their goal. However, organizations whose CEOs do not emphasize CSR may perceive it as an unnecessary investment and dedicate limited resources to CSR projects (Pai & Chandra, 2022). In this instance, firms may lip-service CSR without doing action, hampering CSR policy implementation.

RESEARCH METHODOLOGY

Research Design

A correlational research design is applied in the research project whereby the relationship between CSR and organizational productivity is determined using the collected values. The relationship is sought and interpreted where data is organized in patterns and uses the provided data in observing the cause and effect of the variables to one another. Using the National Detergents Oman as the case study, information regarding the effect of CSR on the organization's productivity will be collected and analyzed to help in coming up with a representative conclusion (Sileyew, 2019).

Population of the Study

The National Detergents Oman has a population of 405 employees working within its various departments. When studying a concept and linking it to a specific organization, it is best analyzed by using feedback from the employees who have experience working in the organization and have seen the results of engaging in

CSR activities on the company's productivity.

Sampling Technique and Sample Size

The specific sampling technique in the case of the National Detergent Oman will be simple random sampling whereby each employee will be having an equal chance of being selected to take part in responding to asked questions. The simple random sampling technique was determined to be efficient and effective because all of the employees have information about the company and are witnesses to the effects of CSR on the organization.

The sample size of this study is 198.

Research Instruments and Validity and Reliability Testing

A questionnaire is a research instrument used in data collection exercises whereby a list of close-ended and open-ended questions are asked to the sample size of a population. Using questionnaires at the National Detergents Oman will be a great way of obtaining information through perceptions, experiences, and attitudes of the employees towards the company's application of CSR in managing the productivity of the company (Jakada et al., 2020). The questionnaires are issued to the selected sample employees and they need to respond to all of the asked questions and submit the questionnaires back for review and recording. The questionnaires are convenient because the respondents will respond in their free time and submit to the required place or when done online, they can submit instantly. It is more effective because one can be issued with a questionnaire and given a time frame that they should submit responses. It gives the participants an easy time to respond in an accurate way that will provide better answers to make a representative conclusion after the research study.

The soundness of the used research instruments is accurate based on the ground that employees have a wide base of information regarding their workplace. The degree to which the responses are given makes it easier to rely upon the responses because no participant will be exposed to the management regarding their feedback and their privacy and confidentiality boosts the accuracy of the given responses. The anonymity of the participants is the major way that the research instruments and data are considered valid and reliable. A reliability and validity test were conducted among 10 staff from the National Detergents Oman.

Data Collection Techniques

Primary data is collected from the staff that take part in the survey whereby they form the primary data sources. The staff are

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	50.750[a]	12	.000
Likelihood Ratio	63.269	12	.000
Linear-by-Linear Association	11.059	1	.001
N of Valid Cases	198		

a. 8 cells (40.0%) have expected count less than 5. The minimum expected count is .70.

essential in offering first-hand information regarding the application of CSR at the company. The experience and encounter will enable to give accurate and tested reviews regarding the applicability of CSR in the organization. Regarding the secondary data, the reviewed journals in the second chapter can be used in extracting valuable data which can be related to the current study.

Data Analysis Technique

The collection of data from the determined sample assize, it will be analyzed using Statistical Package for the Social Sciences (SPSS) or Microsoft Excel. The tests to be applied can include but are not limited to descriptive statistics, regression analysis, factor analysis, and any other that is suitable based on the collected data (Pallant, 2020).

During the analysis, the types of charts to be used will include pie charts, bar graphs, line graphs, and histogram charts. The charts are determined depending on the expected output and the best presentation that can be easily understood by the research report reader.

DATA ANALYSIS

Chi-square test

Table 4 1: Chi-Square Tests

The chi-square test examined respondents' term of employment at National Detergents Oman (D04) and their corporate social responsibility agreement levels (A01). These factors are associated Pearson Chi-Square = 50.750, df = 12, p <.001. The likelihood ratio test shows this substantial connection LR = 63.269, df = 12, p <.001 (Gaboardi & Rogers, 2018). Crosstabulations reveal intriguing patterns. 30 persons under 5 years of employment strongly agree with corporate social responsibility, whereas 11 strongly disagree. Those with 5–10 years of employment have a more uniform distribution across agreement levels. Participants with 11–16 years and more than 16 years of employment significantly agree. The significant chi-square test shows a

correlation between job length and corporate social responsibility agreement.

Component Matrix

	Component	
	1	2
A01	.796	-.137
A02	-.443	.015

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.163	.245		8.827	.000
	A05	-.242	.068	-.252	-3.555	.000
	B03	.181	.072	.178	2.510	.013
	C02	.073	.071	.072	1.027	.306

a. Dependent Variable: D005

B01	.445	.494
B02	.362	-.529
C01	.706	.039
D001	.075	.799

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Table 4 2: Component Matrix

The component matrix shows varied loadings on factors. A01 (respondents' agreement levels on CSR), B01 (implementation), and C01 (effectiveness)

have substantial loadings in factor 1, Component 1. This implies that these variables are substantially correlated and may influence CSR views and attitudes (Kyriazos, 2018). Variable D001 (respondents' satisfaction with organizational productivity) has a modest loading on Factor 1, suggesting it may not be highly connected with it.

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.197	3	7.732	5.378	.001[b]
	Residual	278.949	194	1.438		
	Total	302.146	197			

a. Dependent Variable: D005

b. Predictors: (Constant), C02, B03, A05

Table 4 3: Regression ANOVA

Table 4 4: Regression Coefficients

The regression model predicted D005's value using A05, B03, and C02. Statistics

assessed model fit. The model's R-squared was 0.077, indicating that A05, B03, and C02 explain 7.7% of D005's variability. Adjusted R-squared was 0.062. The estimate's standard error was 1.199, indicating the average difference between observed and model-predicted values. The regression model had a low p-value of 0.001 in the ANOVA table (Aggarwal & Ranganathan, 2017). This shows that A05, B03, or C02 had a considerable effect on D005. Regression coefficients illuminated the predictor-dependent variable relationship. As A05 grew by one unit, the anticipated value of D005 declined by 0.252 standard deviations. B03's positive standardized coefficient 0.178 meant that a one-unit increase in B03 increased D005's expected value by 0.178 standard deviation. C02 showed a non-significant coefficient 0.072 with a p-value of 0.306, meaning it did not affect the dependent variable in this model.

SUMMARY OF FINDINGS

These factors explained 47.445% of the variance, revealing CSR and organizational productivity. Regression study showed that CSR agreement and implementation increased organizational productivity satisfaction, although CSR effectiveness did

not. These findings show that CSR agreement was associated with lower productivity satisfaction, while CSR implementation was connected with higher productivity satisfaction. The data analysis shed light on National Detergents Oman's CSR-productivity link. The findings illuminate job tenure, CSR variables and organizational productivity, CSR views across groups, and CSR agreement and implementation on productivity satisfaction. These insights can help companies design targeted CSR and productivity strategies.

Conclusion

The one-way ANOVA showed significant differences in CSR agreement, execution, and efficacy across National Detergents Oman groups. This implies that different employee groups may view CSR projects differently, which may affect their productivity perception. Factor analysis identified two underlying dimensions CSR factors (agreement, implementation, and effectiveness) and organizational productivity satisfaction. These factors illuminate CSR-productivity links. The regression study showed that CSR agreement (A05) and implementation (B03) strongly influenced employees' satisfaction with organizational productivity (D005).

CSR adoption increased satisfaction with organizational productivity, while CSR agreement decreased satisfaction.

Recommendations

Improve Employee Engagement and CSR Communication

Regular town hall meetings, specialized CSR communication channels, and employee feedback tools can accomplish this (Koch et al., 2019). National Detergents Oman may promote employee ownership, agreement with CSR actions, and organizational productivity by incorporating them in CSR decision-making and keeping them informed.

Customize CSR Initiatives for Specific Employee Groups

The research found that National Detergents Oman employees differed in CSR agreement, execution, and efficacy. Recognizing these differences, the corporation should tailor CSR activities to the requirements and interests of diverse workforce groups (Kim & Kim, 2021). National Detergents Oman can poll or focus group different departments, levels, and demographics regarding CSR expectations and preferences. The corporation may increase employee buy-in and productivity

by planning CSR events that resonate with different staff groups.

Improve the Implementation and Effectiveness of CSR

This can be done by setting clear CSR goals and objectives, creating solid implementation plans, and regularly assessing CSR results (Ali & Kaur, 2021). The company should also provide CSR project participants with proper training and resources. National Detergents Oman can increase productivity satisfaction by boosting CSR implementation and effectiveness.

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