

EMPIRICAL ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY INFLUENCING NOT FOR PROFIT ORGANISATION: A CASE STUDY OF MANIPUR, INDIA

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Abstract *In the fast changing business scenario, business ethics and value based education form the foundation of a civilised society. This will find a focus in Training Programme under topics Corporate Social Responsibility in the light of The Companies Act 2013. They need to recognise the need to create organisations where ethical decisions are not undermined but are encouraged and promoted. They turned vibrant and actively functional as local governance modules. To realise the Government of India's mission and Modi's mantra of development 'Make in India', corporate sectors should spend Corporate Social Responsibility (CSR) money which is 2% of net profit currently on 'Swachh Bharat Abhiyaan'. State Government should facilitate field visits by Embassy officials of those countries who issued travel advisories to their nationals against visiting states in the northeast region of India. In response to the demands of this new social system, NGOs begin to wonder what a responsible organisation is like, as an exercise of assumption of its responsibilities. For the third sector, the starting point of social responsibility is the coherence between the values and the social proposal being done from their action fields: cooperation for development, social, human aid or environment.*

Keywords *Business Ethics, Not for Profit Organisation, Companies Act 2013, Responsible Organisation, Corporate Social Responsibility, Environment*

INTRODUCTION

As per Section 135 Corporate Social Responsibility (hereinafter CSR) the companies having profit more than Rs. 5 Crores in any of the end of Financial Year, are required to incur the expenses on CSR equal to 2% of average profit of last 3 years. For this CSR, a committee of three directors is required to be constituted where there will be at least 2 independent directors who will formulate the CSR Policy and the same will have to be published on the website of the company. To realise the Government of India's mission and Modi's mantra of development 'Make in India', corporate sectors should spend Corporate Social Responsibility (CSR) money which is 2% of net profit currently on 'Swachh Bharat Abhiyaan'. State Government should facilitate field visits by Embassy officials of those countries who issued travel advisories to their nationals against visiting these States in the northeast region. Consider opening border *haats* at Kongkan, Ukhrul, New Somdal and Behiang, Chandel, and opening a customs office at Behiang for facilitating border trade. Last but not the least, the focused approach to development, timely completion of projects with support and participation of skilled locals will not only bridge the development deficit but will also help assuage the deep rooted feeling of alienation. The objective of the social responsibility model presented here is to promote the

reflection on the organisations social responsibility, helping to identify, analyzes, and structure the information in order to achieve a responsible management. This means basically to order the actions of social responsibility, in a global manner, according to a basic model of comprehension, diagnosis and management. The current society is complex, and part of this complexity is shown in the diversity of relevant organisations that coexist and act together: public administrations, private companies, NGO, universities, and so on. All of them have a say and they construct the society from domains more shared and interrelated every time. Nowadays, limited fields of action have practically disappeared as well as environments of exclusive responsibility. Observing the evolution of relations among the social actors lately, it can be seen that contributions are increasingly more common and intense. This tendency is the result of the consolidation of a relational society. There is neither a business society nor a public administration society nor a civil society. In contrast, they all are part of a unique and shared social space. This emerging model is known by some authors as the 'relational society'.

LITERATURE REVIEW

The review of literature for the concerned study is essential to produce accurate and sufficient information related to the area of study. In this perspective, the present investigation proposed here is to be quite relevant.

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Laishram (2006) focuses on the need to evolve a meaningful development discourse in the light of colossal damage done by haphazard development projects that fail to take the local populace and environment into account.

Gupta (1997) opined that there should be educational research by Social Science department other than the Education department. This has the benefit of cross-fertilisation of ideas leading to new horizon.

Starcher (1996) opined “women’s family obligations bar them from becoming successful entrepreneurs in both developed and developing nations. Having primary responsibility for children, home, and older dependent family members, few women can devote all their time and energies to their business”.

They have suggested various tools and techniques for effective analysis and interpretation of the concern topic.

HYPOTHESES OF THE STUDY

Ho: There is no difference among the three types of industry i.e. Service, Manufacturing and Trading sectors of Manipur with respect to Human Resource Development.

OBJECTIVES OF THE STUDY

The objectives of the study are:

- i. To understand the changing scenario of India’s Look East policy
- ii. To identify the concern areas of Corporate Social Responsibility to the Not for Profit Organisation
- iii. To explore the associated relevancy of Corporate Social Responsibility

RESEARCH METHODOLOGY

Primary Data

Type of study: Cross-sectional comparative study

Study population: Manipur state consisting of 8 districts out of 9 excluding Ukhru-Senapati, Tamenglong,

Churachandpur, Thoubal, Bishnupur, Imphal (W/E), and Chandel.

Duration of study: The period of proposed analysis of primary data of concern paper is from the year October 2011 to September 2014.

Study subjects: Entrepreneurs (business owners, business units heads), Government officials, customers (represented by local shopkeepers)

Study tools: Pretested semi-structural questionnaire (prepared for purpose)

Sampling method: Purposive Sampling

Sample size: Since the information on the trade relation, trade flow and regional development, etc., is not available from the secondary source of data, a small primary sample is necessitating as a sub-chapter in the present thesis. It consists of 88 study individuals.

Statistical analysis: After thorough checking and scrutinizing the raw data, statistical data processing and analysis were performed through SPSS version 21. Results are reported as number of cases/frequencies along with percentages. In order to establish the association, Pearson χ^2 - test/Likelihood Ratio χ^2 - test is used if data permit. All comparisons are two-sided and the P-values of < 0.05 and < 0.01 are treated as the cut-off values for significance and highly significance respectively.

FINDING OF THE STUDY

To achieve the social change pursued by their mission, organisations participate in the society carrying out everyday activities in several environments. They usually face decisions-making processes that may help to improve their impact. But what would be the value of the social changes if while trying to achieve them, the organisation leave aside the values promoted by the mission? The social responsibility of non-profit organisations focuses on the way these organisations act according to the values they promote. Basically, it is a matter of coherence between the ‘way of doing’ and the ‘reason of being’ of the organisation.

Table 1: Type of Industry Distribution of Subjects according to Availability of Talent Labour

Type of Industry	Availability of Talent Labour					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	2(20.0%)	3(30.0%)	5(50.0%)	0	0	10(100.0%)
Service	1(11.1%)	2(22.2%)	2(22.2%)	2(22.2%)	2(22.2%)	9(100.0%)
Trading	2(20.0%)	3(30.0%)	5(50.0%)	0	0	10(100.0%)
Total	5(17.2%)	8(27.6%)	12(41.4%)	2(6.9%)	2(6.9%)	29(100.0%)

Source: Personal calculation using SSPS version 21

χ^2 - test can't be used.

Table 2: Industry according to Innovation (Patents & Trademarks, Research and Scientists)

Type of Industry	Innovation				Total
	Very poor	Poor	Satisfactory	Excellent	
Manufacturing	1(12.5%)	4(50.0%)	1(12.5%)	2(25.0%)	8(100.0%)
Service	1(12.5%)	1(12.5%)	4(50.0%)	2(25.0%)	8(100.0%)
Trading	2(33.3%)	1(16.7%)	3(50.0%)	0	6(100.0%)
Total	4(18.2%)	6(27.3%)	8(36.4%)	4(18.2%)	22(100.0%)

Source: Personal calculation using SPSS version 21

$\chi_2 = 6.913$; $df = 6$; $P = 0.329$

Table 3: Type of Industry Distribution of Subjects according to Environmental Regulations

Type of Industry	Environmental Regulations					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	0	5(55.6%)	1(11.1%)	3(33.3%)	0	9 (5(100.0%)
Service	0	4(44.4%)	3(33.3%)	0	2(22.2%)	9 (5(100.0%)
Trading	1(10.0%)	3(30.0%)	5(50.0%)	1(10.0%)	0	10 (100.0%)
Total	1(3.6%)	12(42.9%)	9(32.1%)	4(14.3%)	2 (7.1%)	28 (100.0%)

Source: Personal calculation using SPSS version 21

χ_2 - test can't be used.

Information of availability of talent labour is furnished which designates supplementary that 17.2%, 27.6%, 41.4%, 6.9%, and 6.9% of the individuals notwithstanding of the type of industry furnished their views as very poor, poor, satisfactory, good, and excellent, respectively. Further, Table 1 exhaustive indicates % variations within each answer with respective type of industry.

Information of innovation (ease of getting patents & trademarks, research institutions and scientists) with respect to type of individuals is set forth on Table 2 and results suggest that 18.2%, 27.3%, 36.4%, and 18.2% of the individuals provided their views as very poor, poor,

satisfactory, good, and excellent, respectively. Further, the table exhaustive shows percentage variations within each answer with respective of type of industry, considered in the study.

Similarly, the information on environmental regulations with respect to type of individuals is also furnished in Table 3 and outcomes suggest that 33.6%, 42.9%, 32.1%, 14.3%, and 7.1% of the individuals provided their grading as very poor, poor, satisfactory, good, and excellent, respectively. The table, further, comprehensively shows percentage variations within each answer.

Table 4: Type of Industrywise Distribution of Subjects According to Regulatory Framework

Type of Industry	Regulatory Framework (Company Laws and Other laws)					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	0	6(85.7%)	0	1(14.3%)	0	7(5(100.0%)
Service	0	8(33.3%)	8(33.3%)	6(25.0%)	2(8.3%)	24(100.0%)
Trading	1(14.3%)	2(28.6%)	3(42.9%)	1(14.3%)	0	7(100.0%)
Total	1(2.6%)	16(42.1%)	11(28.9%)	8(21.1%)	2(5.3%)	38(100.0%)

Source: Personal calculation using SPSS version 21

χ_2 - test can't be used.

Table 5: Type of Industry Distribution of Subjects according to Quality of Bureaucracy

Type of Industry	Quality of Bureaucracy					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	2 (28.6%)	4 (57.1%)	0	1 (14.3%)	0	7 (100.0%)
Service	3 (11.1%)	9 (33.3%)	4 (14.8%)	9 (33.3%)	2 (7.4%)	27 (100.0%)
Trading	3 (33.3%)	2 (22.2%)	2 (22.2%)	2 (22.2%)	0	9 (100.0%)
Total	8 (18.6%)	15 (34.9%)	6 (14.0%)	12 (27.9%)	2 (4.7%)	43 (100.0%)

Source: Personal calculation using SPSS version 21

χ^2 - Test can't be used.

Table 6: Type of Industry Distribution According to Crime-Free, Security and Legal System

Type of Industry	Crime-free, Security and effectiveness of legal system					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	3(42.9%)	1(14.3%)	0	3(42.9%)	0	7(100.0%)
Service	11(42.3%)	3(11.5%)	9(34.6%)	1(3.8%)	2(7.7%)	26(100.0%)
Trading	2(40.0%)	0	2(40.0%)	1(20.0%)	0	5(100.0%)
Total	16(42.1%)	4(10.5%)	11(28.9%)	5(13.2%)	2(5.3%)	38(100.0%)

Source: Personal calculation using SPSS version 21

χ^2 - test can't be used.

Table 4 deals with type of industry distribution according to regulatory framework (laws for operating business) that expressed in terms of percentage. It is observed that 2.6%, 42.1%, 28.9%, 21.1%, and 5.3% of industrialists, regardless of the type of industry, put their understandings as very poor, poor, satisfactory, good, and excellent, respectively. Table 4 comprehensively shows % variations within each answer with respect to type of industry but test is not applicable.

Now, there are five answers-very poor, poor, satisfactory, good, and excellent-in the question of quality of bureaucracy. It is found from Table 5 that out of the individuals, irrespective of the type of industry, 18.6%, 34.9%, 14.0%, 27.9%, and 4.7% assess their views. And again, the percentage is classified within each answer with respect to type of industry.

Concerning about the crime-free environment, security and effectiveness of legal system, the study subjects gave their views as very poor, poor, satisfactory, good, and excellent by the respective percentages of 42.1, 10.5, 28.9, 13.2, and 5.3. Table 6 exhaustively illustrates % variations within each answer with respect to type of industry, considered in study.

It is perceived from Table 7 that 62.8%, 27.9%, 2.3%, 4.7%, and 2.3% of the study subjects irrespective of their type of industry gave their views as very poor, poor, satisfactory, good, and excellent on the question of presence of sophistication in firm management, making strategies, management practices, and effective management skills. Nevertheless, percentage variations within each answer over

Table 7: Distribution according to Presence of Management, Strategies, and Skills

Type of Industry	Presence of Firm Management, Strategies, Management and Skills					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	9(75.0%)	2(16.7%)	1(8.3%)	0	0	12(100.0%)
Service	5(45.5%)	4(36.4%)	0	2(18.2%)	0	11(100.0%)
Trading	13(65.0%)	6(30.0%)	0	0	1(5.0%)	20(100.0%)
Total	27(62.8%)	12(27.9%)	1(2.3%)	2(4.7%)	1(2.3%)	43(100.0%)

Source: Personal calculation using SPSS version 21

χ^2 - test can't be used.

Table 8: Industry according to Presence of Authority (Government Supportive Policies)

Type of Industry	Presence of Industry body (government supportive policies)					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	4(50.0%)	1(12.5%)	3(37.5%)	0	0	8(100.0%)
Service	3(11.1%)	3(11.1%)	11(40.7%)	8(29.6%)	2(7.4%)	27(100.0%)
Trading	4(26.7%)	4(26.7%)	3(20.0%)	4(26.7%)	0	15(100.0%)
Total	11(22.0%)	8(16.0%)	17(34.0%)	12(24.0%)	2(4.0%)	50(100.0%)

Source: Personal calculation using SSPS version 21

χ^2 – test can't be used.

Table 9: Industry according to Measures (Technical, Government Support & Certifications)

Type of Industry	Quality control measures					Total
	Very poor	Poor	Satisfactory	Good	Excellent	
Manufacturing	2(18.2%)	4(36.4%)	1(9.1%)	4(36.4%)	0	11(100.0%)
Service	2(6.2%)	7(21.9%)	3(9.4%)	19(59.4%)	1(3.1%)	32(100.0%)
Trading	2(14.3%)	5(35.7%)	3(21.4%)	4(28.6%)	0	14(100.0%)
Total	6(10.5%)	16(28.1%)	7(12.3%)	27(47.4%)	1(1.8%)	57(100.0%)

Source: Personal calculation using SSPS version 21

$\chi^2 = 6.701$; $df = 8$; $P = 0.569$

of type of industry, considered in the present study are also observed in the table but the difference would not be tested due to less cell frequencies in some of the cells.

Due to some of the less cell frequencies found in Table 8, the test can't be applied, but it may be observed from the table that there is variation of percentages regarding the answers of the question viz., presence of industry body in terms of supportive, effective in convincing government to make supportive policies.

Table 9 indicates that there is no definite association of type of industry and quality control measures in terms of technical assistance, government support, and ease of getting

certifications as evident by insignificant values of $P=0.569$ despite visible variations of percentage over five different types of opinion by the industrialists. The types of opinion are very poor, poor, satisfactory, good, and excellent.

It may be observed from Table 10 that there is no definite association between type of industry and availability of universities, training facilities, and vocational training centre as evident by insignificant values of $P=0.157$ despite visible variations of percentage over four different types of opinion by the industrialists.

Table 10: Industry Distribute According to Universities, Training & Vocational Training

Type of Industry	Availability of Universities, Training Facilities and Vocational Training				Total
	Yes	No	Can't say	Remain same	
Manufacturing	3(23.1%)	4(30.8%)	5(38.5%)	1(7.7%)	13(100.0%)
Service	13(40.6%)	11(34.4%)	6(18.8%)	2(6.2%)	32(100.0%)
Trading	2(9.5%)	12(57.1%)	4(19.0%)	3(14.3%)	21(100.0%)
Total	18(27.3%)	27(40.9%)	15(22.7%)	6(9.1%)	66(100.0%)

Source: Personal calculation using SSPS version 21

$\chi^2 = 9.314$; $df = 6$; $P = 0.157$

Testing of Hypothesis

H₀: There is no difference among the three types of Industry i.e. Service, Manufacturing and Trading sectors of Manipur with respect to Human Resource Development.

Tables 1 through 10 forecast the results i.e. $\chi^2 = 9.314$; $df = 6$; $P = 0.157$. It may be observed from the tables that there is no definite association between type of industry and availability of universities, training facilities, and vocational training centres as evident by insignificant values of $P=0.157$ despite visible variations of percentage over four different types of opinion by the industrialists. Since the P-value for the test is greater than or equal to 0.05, the null hypothesis cannot be rejected at the 95.0% confidence level.

CONCLUSIONS OF THE STUDY

It is essential to create facilities and develop professionalism in order to tap the maximum potential of this industry. The Indian government and the northeastern states must adopt proactive role and provide not only infrastructures but also political stability and good governance. For achieving the benefits of the enterprises, highlighting a few relevancies associated with this policy would improve the sufficient infrastructural facility such as road, transport, communication, banking, insurance, warehouse, hotel facilities etc. Measures for improving the present law and order situation of the Northeastern states in general and bordering states of Manipur and Nagaland in particular should be initiated which has caused the slow pace of development and disrupted the normal volume of trade. Certain programmes to encourage the involvement of local people in the infrastructural and trade development should be facilitated. New secondary and tertiary sector in the area should be opened that will provide more job facilities to the youth of the region. People of land need to abandon the habit of imposing bandhs/blockade even for minor issues. Feature of integrated check post is that vehicles checked and provided documents by the check post authority need not be subject to rechecking in any part of India. The promotion of tourism and intensification of air-traffic were therefore important sectors of institutional cooperation, especially since they were closely linked to the economic activities binding NE India to East Asia. With its moderate climate most of the year, scenic splendour and robust and varied

cultural attractions, the region is ideal for tourism. India's objectives in foreign policy can be furthered through areas – education (Human Resources Development), tourism etc. – where it has a comparative advantage over other Asian countries. Tourism is an area where much can be done to reverse the trend of more Indians going to South East Asia (Singapore) for shopping. With more than 250 million employees, it is consider the world's largest employer. With health objectives underlying tobacco regulation can be accommodated, the burden of proving the elements of necessity is on government.

In order to build in the social responsibility of the organisation, seven areas of interest to reflect on are proposed: people within the organisation, stakeholders, mission and values, transparency, environmental management, communication, and social involvement. The development of these areas is especially relevant because it impacts directly on the organisations' reason of being. The common way to analyse organisation management is studying the main functional areas (marketing, finance, human resources, and so on) as well as some transversal topics such as processes, strategy, etc. "May be, we should speak about responsible society rather than social responsibility. There is hardly ever a responsible society if citizens, associations, NGO, political parties, institutions, and especially, companies are not responsible".

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