



Research Paper

Effect of CSR (Corporate Social Responsibility) On Corporate Branding In Banking Sector of Jammu and Kashmir

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ABSTRACT

In recent years, attention has become increasingly paid for social, environmental and ecological related issues in diverse business operations. The concept of sustainable organizational development is an effort to integrate various requirements for organizational development in the future. The concept, which is regulated in the contradictory context of economic, social and environmental aspects, is an effort to balance fundamentally different requirements and aspirations. Sustainable organizational development can be competitive in terms of resources or providing opportunities associated with it are implemented in the right way. The main motive to carry out this research on (CSR) corporate social responsibility in corporate branding in the banking sector of Jammu and Kashmir is basically to figure out whether the performance of CSR activities impacts the image of a bank that is operating in Jammu and Kashmir. The data is collected from customers of such banks that operate in Jammu and Kashmir and the conclusion has been drawn accordingly.

KEY WORDS: CSR (Corporate Social Responsibility), Brand Image, Customer Relationship, Social Welfare

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I. INTRODUCTION

Ethics are concerning moral assessment of right and wrong. Decisions taken in an organization can be made by individuals or groups and can be influenced by organizational culture. Ethical behaviour and corporate social responsibility can bring significant benefits for business. Many organizations are involved in ethical behaviour in society as part of their normal business activities. These activities include positive actions related to the environment, social causes and their communities. Examples include reducing their power use, funding schools in their communities or funding orphanages. CSR can benefit the organization by promoting a positive public image when building a workplace with satisfied staff, happy customers, and low costs. This can be a Win-Win situation for organizations and stakeholders. Corporate social responsibility is related to the policy and practice of the company's social involvement and beyond legal obligations for the benefit of the community in general while serving various stakeholders.

II. CSR TYPICALLY INCLUDES “BEYOND LAW” COMMITMENTS AND ACTIVITIES PERTAINING TO THE FOLLOWING ELEMENTS:

- Corporate governance and ethics
- Health and safety
- Environment stewardship
- Human rights
- Sustainable development
- Conditions of work
- Social relations
- Community involvement, development and investment
- Customer satisfaction

- Adherence to principles of fair competition
- Anti- bribery and anti-corruption measures

Corporate Social Responsibility (CSR) has increased considerably in the past, especially during the epidemic crises which has changed business perceptions throughout the world. CSR was called to help organizational mission and act as a guide for what the company represented. Business ethics are part of the code of ethics that assess the principles of ethics or ethical problems that may arise in the business environment. ISO 26000 is a globally recognized CSR standard. Public sector organizations (UN for example) take Triple Line (TBL) widely accepted that CSR adheres to the same principles, but without a legal framework demand for CSR has been exacerbated by a number of challenges related to environmental problems, such as global warming, energy consumption, and disposal of waste products. Social causes can include hunger, natural disasters, and childhood disease. All of this gives an organization the opportunity to engage in social work activities. The social error of trade has greatly influenced the organizational reputation, which has caused a lot of costs in solving problems. Organizational errors by retailers have greatly affected participants who have lost trust in affected business organizations and in addition to sometimes not directly involved, they are accounted for to stakeholders. This environmental problem has encouraged trade executives to consider the condition of public commitment to the company. Thus, by carrying out company CSR activities can also increase their brand equity.

III. THERE ARE SIX WAYS IN WHICH CORPORATE SOCIAL RESPONSIBILITY CAN HELP CORPORATE BUILD BRAND EQUITY:

1. Building brand awareness
2. Enhancing brand image
3. Establishing brand credibility
4. Evoking brand feelings
5. Creating a sense of brand community
6. Eliciting brand engagement

The creation of monetary stocks shares many similarities. The purpose of this research is to test whether the CSR activities performed by banks that operate in Jammu and Kashmir state have the effect on building a good image in the public or not. The rise in ethical training within companies, some of which are required by government regulation, has helped the CSR spread. Organizations recognize an increase in employee loyalty and pride in the organization. Risk management is a significant management tool which attracts unwanted attention from regulators, courts, government and the media and yes, CSR can limit this risk to minimum level.

IV. LITERATURE REVIEW:

In 1953, Howard Bowen, was recognized by some "Mr. CSR", concentrating ideas as social responsibility: "To track pleasant achievement lines in terms of our community goals and ethics"

As per Bowen CSR is basically an obligation of the employers just to achieve those policies, to take a call for those decisions or to emphasize those actions which are simply acceptable in terms of the values of the society. Then in 2006 Gylling C et.al published a paper in which their study intends to examine the relationship between corporate brands and customers. This paper also establishes a practicality for the customer based viewpoint. Wherefrom the key point to distinguish is the strength of the brand and its definitive value to the company that inhabit customers. This paper has reviewed perceptions that still exist in company branding and customer brands. After that in 2008 Crane emphasizes that the company will experience a different level of internal, external and lateral pressure to engage in CSR, because companies are embedded in different business environments. After that in 2007 Vassileva B the author's publication aims to explain how the members of the company think on the impact of CSR on their respective companies. The findings show that the component apart from CSR which had an impact on company's image were found as good quality products, a well preserved customer relationship and the corporate governance. After that in 2009 a group of authors led by Mandhachitaraet.al carried out a research which aimed on show social responsibility initiatives can affect the quality of said services from the perspective of retail banking customers in Bangkok Thailand. The result of this study was in favor of CSR as it proved that CSR is directly related to the brand image. Then in 2012 HSU.K published his paper wherein he carried out a research where his motive was to determine whether the advertising of CSR initiatives affect the company's reputation. Different tests were conducted and conclusion was drawn as it has a positive effect on the customer satisfaction, company's reputation and brand equity. Further it also reflected that having a CSR environment has a positive effect on corporate reputation as well. After that in 2013 a research was carried by Moharana F where the aim of the study was to distinguish different CSR practices carried by some Public Sector Banks in India. It was found that the Public Banks do involve in different social

services like rural development, child welfare and educational programs mostly in rural areas, but again there were some limitations in that also. Conclusion was drawn that Public Banks do perform CSR activities but just in limited areas. There is a scope and need of improvement in such fields. In the same year 2013 Sharma M carried out a research which analyzed CSR in Indian Commercial Banks, where the results were that yes banks do make an effort in providing social service at the same time there are some banks which don't even meet the regulatory requirements. It was also found out that the Public Sector Banks were the ones who contributed most in CSR activities. While on the other hand Private Sector Banks and Foreign Banks are still left behind in the race.

Need of the study

In the harsh times of pandemic Covid-19, the whole world was in need of help whether it was medical, financial or social help. There were groups, NGO's and other such bodies who helped the needy in these difficult times accordingly. Some companies also took part in such activities where they contributed toward the social welfare of the society. Contributing towards the society should be considered as a compulsion if one can provide help according to them. According to us the need of the study was to figure out that apart from the companies, NGO's and other social welfare groups do the banks perform such CSR activities. And if they do perform then how do these activities affect the image of respective banks that operate in Jammu and Kashmir State of India. Just because of the prevailing conditions due to the pandemic we were confined to a particular state of India which is Jammu and Kashmir. So accordingly we carried out this research and came to relevant conclusion.

Objectives of the study

Our two main objectives of this study were firstly to study and understand the concept of Corporate Social Responsibility and secondly the effect of CSR on corporate branding in banking sector of Jammu and Kashmir. For this study the variables that needed to be considered were the understanding level of CSR in customers, awareness of the CSR activities performed by the banks in Jammu and Kashmir and lastly what factors should be kept in consideration while dealing with a bank. There were some limitations also like the data that we collected was in the form of online forums just because of the pandemic. We might have interacted as person in getting the information from them. But still we managed to collect the data from the required customers of the banks that operate in Jammu and Kashmir.

Methods of the study

We made online required Google forms where we wrote questions that were relevant to our research. And the questionnaire that we finalized was easy to understand for each person. Some basic question related to the term CSR and the level of understanding the term CSR were asked in the questionnaire. Then the data collected from these online forms was keenly analyzed in SPSS software. Around 50 Responses were recorded and then analyzed and interpreted while coming to any conclusion. In nutshell quantitative data was used for the entire study which helped us to determine whether CSR affect on corporate branding in Jammu and Kashmir.

V. RESEARCH METHODOLOGY

Here descriptive research design was used to measure the involvement. The respondents were selected on the basis of convenient sampling techniques the data were collected through structured questionnaire and sample size taken as 47 respondents from Jammu and Kashmir State of India. For the analysis of data various tools like tabulation, chi-square test, frequency distribution and charts were used with help of SPSS software.

Name of the bank :

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2.1	2.1	2.1
AXIS BANK	3	6.4	6.4	8.5
HDFC BANK	7	14.9	14.9	23.4
J&K BANK	17	36.2	36.2	59.6
PUNJAB NATIONAL BANK	8	17.0	17.0	76.6
STATE BANK OF INDIA	9	19.1	19.1	95.7
YES BANK	2	4.3	4.3	100.0
Total	47	100.0	100.0	

Fig: 1.1

Did you hear of any activities that banks in J&K undertake to be socially and environmentally responsible?

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		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Maybe	22	46.8	46.8	46.8
	No	12	25.5	25.5	72.3
	Yes	13	27.7	27.7	100.0
	Total	47	100.0	100.0	

Fig: 1.2

If a company had a proven track record of poor CSR, would you be put off purchasing their products?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Maybe	18	38.3	38.3	38.3
	No	6	12.8	12.8	51.1
	Yes	23	48.9	48.9	100.0
	Total	47	100.0	100.0	

Fig: 1.3

If you are informed about a CSR activity that the bank is performing , would you contribute to it ?

50 responses

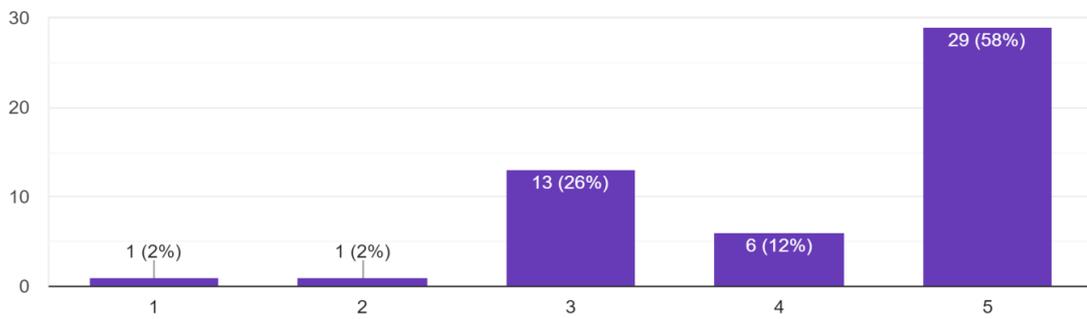
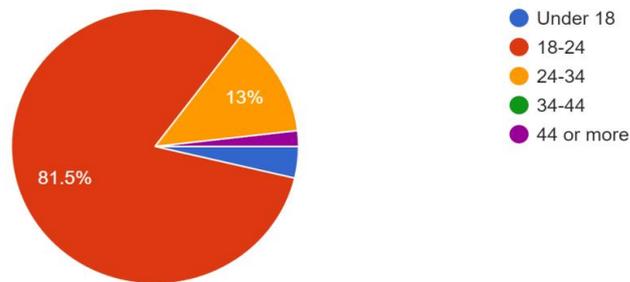


Fig:

How old are you

54 responses



2.

Fig: 2.1

What are important reasons for companies to get involved in CSR activities in your opinion?

54 responses

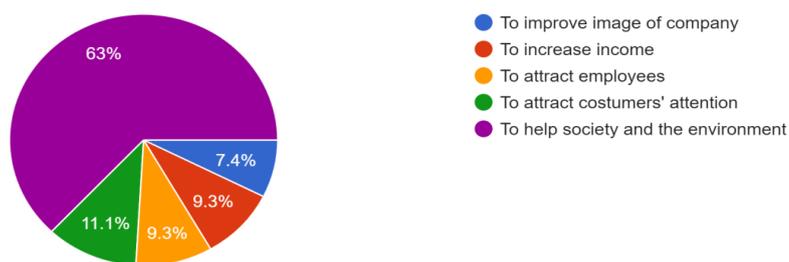


Fig: 2.2

Key Findings

- As from fig 2.2 we can see that 63% of people think that banks often do CSR activities in order to help society and environment
- 7.4% of people think that banks often do CSR activities just to improvise the image of the bank from fig 2.2
- From fig 2.0 we can figure out that around 58% of the people accepted that if any sort of CSR activity is discussed with them they will surely contribute in such activities
- 48% of the people said they won't work with the banks if the said bank had a bad CSR record
- In past years banks had done a number of CSR activities according to their websites but most of the people were not aware about these activities

VI. CONCLUSION

Banks that perform CSR activities in J&K do have a good record of corporate image. From the collected data we were able to conclude that CSR activities do impact on the image of any bank that is operating in Jammu and Kashmir. Whether the activities involve helping needy or making public parks or contributing towards the wellness of the nation 63% of people keep that in consideration and thus take actions accordingly, which include taking part in any CSR activity or dealing with any bank that operates in Jammu and Kashmir. There are some facts that need to be taken in consideration as from the data that we collected most of the people were unaware about the Activities that their respective banks are performing, whilst they were aware about the CSR term. If we have to make a conclusion from such data we can come to the point that Yes CSR has a positive impact in each and every way on any bank that operates in Jammu and Kashmir.

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