

## **CHAPTER 3**

### **METHODOLOGY**

The previous chapter has given an overview on relevant literature. This chapter provides details regarding the methodology that has been adopted to carry out the present study. It encompasses rationale of the study, aim of the study, specific objectives, research design, sources of data, construction of tools, sampling, process of data collection, nature of analysis and so on. The actual limitations, that study admits, are also included here. It should be noted that there is no specific methodology for research on CSR and Corporate Volunteerism. The nature of research on the CSR with its umbrella concepts depends on the topic, purpose of investigation, data available and experience of the researcher. The present work is an empirical study with interdisciplinary approach and has used combinations of method those are explained in the subsequent parts of this chapter.

#### **1. RATIONALE OF THE STUDY**

During the last two decade, there has been a shift towards greater reliance on the market, with privatization, liberalization, and globalization. Both national government and UN organizations have advocated towards multi-sector collaboration for community self reliance and sustainable development. Corporations have begun to view their business in the context of the existing socio-political environment, broadening their perspectives of development beyond GNP and per capita income. Recent years have also witnessed a marked shift from corporate charity and relief to a more totalistic approach to community involvement for social development. Corporations are increasingly recognized for their social responsibility and getting involved in community development, either through their own department, or their own foundation and trust or in collaboration with civil society organization. This systematic professional and institutionalized approach has no alternative for attaining organizational excellence with business viability at the core. Corporate volunteerism as an integral

component of corporate social responsibility is a part of the above cited systematic approach can influence the social sector development.

In many countries, especially in our sub-continent, businesses of all sizes traditionally have played leadership roles in their communities. Over the past two decades idea of corporate volunteering has spread slowly but surely throughout the world, practiced both by multinational corporations and indigenous businesses. The rationale for corporate volunteerism has well established and widely accepted. The review of literature has revealed diversity in research initiatives in the areas of corporate social responsibility, corporate community involvement and corporate volunteerism. A few studies are found to deal with historical growth of the concepts, aspects of CSR and country specific studies. In a study in India, Naidu, (2005), has found that volunteering is an important way by which corporate professional extend their knowledge and skills for community development. Another recent study on business-community relation in India, supported by the United Nations Development Programme (UNDP) as a part of an international research project , has reported that 85 per cent of the business organization surveyed in India agreed to have a responsibility to the community in which they are located (Mahajan,2004). Findings of the study Chahoud (2007) reveal that among Indian companies , volunteering for social project is widespread & community development is a key element of India's CSR agenda. Indian companies regard their community development project as a way of contributing some of their profits to social welfare objectives.

In the review of literature it has been observed that, corporate responsibility studies are conducted in India mainly in the corporations of repute and in cities of importance. So far no regional study is available for instance, there has not yet been conducted any study in Assam. The present study in Assam has its own perspective and research gap. The reason for selecting Assam has its unique socio-political and economic environment. It is the gateway to North East India. Once it was one of the developed states, it contributed handsomely to the

economic growth of the country. But as time passed by Assam has fallen behind its counterpart in economic growth in comparison with national growth rate. The industrial and business backwardness of Assam is attributed to insufficient power supply, ethnic conflict, vicious circle of insurgency, infrastructure and communication bottlenecks etc. The statistical data has shown that the state have, natural and human resources for accelerated growth of industry and business therefore, it is important to examine, how the corporate managers view the socio-political and economic conditions in Assam. Is there any scope for corporate, government and NGO collaboration for community self reliance and future development? What is the level of awareness of managers towards the issues of corporate social responsibility? The present effort will also examine the areas which the corporations, operating in Assam have identified for extending support and contribution to build trust and confidence for long run business survival. The ultimate aim of the present study is to understand the voluntary efforts of the companies towards community/social benefits.

## **2. AIM OF THE STUDY**

Corporate organizations are subsystem of society. It is a creation of society. It gets its resources from society. The society accepts and consumes its outputs. Corporate organization is citizen (member) of society and as citizens; they owe certain responsibilities to the society. The primary responsibility is to ensure that it does not cause damage to society's health and contribute to its development. Corporation as an economic entity can survive in the long run when it also acts as social entity. Corporate Volunteerism rooted in Corporate Social Responsibility can help in this regard. Therefore, the main aim of the present study is to explore the nature of Corporate Volunteerism in the context of Assam.

## **3. OBJECTIVES**

The specific objectives of the study are as follows:

- i. To study the perception of Managers towards socio-political and economic conditions of Assam in order to understand the context of the study;

- ii. To assess the awareness of Managers regarding Corporate Social Responsibility which can meaningfully contribute to Corporate Volunteerism;
- iii. To examine the nature and extent of community development programmes in the areas of Education, Health, Environment, and Income generation as a part of Corporate Volunteerism in the companies under study.

#### **4. RESEARCH DESIGN**

It was necessary to understand different aspects and facts related to socio-cultural, political and economic conditions of Assam in the context of the study. It was also important to understand contemporary views of CSR and corporate volunteerism. So the available literatures were reviewed. In order to explore the different area of the study, in depth case studies of six corporations were made. Again, to understand beneficiaries' views group discussions were conducted amongst local influential persons, opinion builders, teachers, women groups, SC/ST community people and the student community. Thus the present study has used **exploratory research design**.

#### **5. TYPES OF DATA REQUIRED**

To meet the objectives of the study, the following types of data were required:

- i. For the first objective, data related to the socio-cultural, politico-legal, economic-industrial issues in the context of the study were essential. How did the managers of the corporation perceive the situation in Assam? Did they view the situation conducive for accelerated socio-economic development? Data related to these were also important.
- ii. In order to meet the second objective i.e., to understand the awareness of the managers of the companies operating in Assam towards corporate social responsibility, data related to issues of CSR, policies of company, corporate managers social responsibility practices, activities of company were required from the six-selected corporation. Types of data required were (a) personal data of managers that

included age, sex, total experience, and educational qualification. (b) CSR policies, participation of managers in policy framing process, areas of importance with respect to core business strategy.

- iii. To fulfill the third objective, i.e., to comprehend nature and extent of community development programme, case studies were done in the selected corporations. Types of required data were: Corporations (a) historical background; (b) organizational set up; (c) community development programmes, various component, programme execution process, innovative aspects, integration and collaboration with other agencies or institutions; (d) budget and resources for different programme; (e) beneficiary profile; and beneficiaries perception towards the different area of the community development programmes.

## **6. SOURCES OF DATA**

- i. Keeping in view the objectives of the study, researcher collected data from secondary as well as primary sources.
- ii. First part of data requirement was gathered using secondary as well as primary sources.
- iii. For second part of the data requirement researcher was depended on primary and secondary sources. The primary data were collected from the managers and secondary data from annual reports, house journal and other relevant document as well as website of the companies.
- iv. Third part of data requirement was mainly depending on primary source where various community development programs were studied.

## **7. TECHNIQUES AND TOOLS OF DATA COLLECTION**

In the present study only one technique i.e. informal interview and five types of tools were used. Regarding tools, information proforma for company was necessary to collect the history as well as basic information like address, objective, corporate mission, vision,

operational area, organizational structure, business scenarios, financial records, stakeholder analysis, affiliation with bilateral or multilateral organizations, awards received etc. The information proforma was filled with the help of public relation and human resource department.

Three interview schedules i.e., schedule for study of the perception of the managers towards socio political and economic conditions of the state, interview schedule to assess the awareness regarding corporate social responsibility and interview schedule for community development programme.

To fulfill the first and second objective, researcher interviewed managers of three different hierarchies i.e. manager, senior manager and upper level managers. There were total twenty questions pertinent to different issues of social, cultural, political, legal, economic circumstances of Assam in the first interview schedule. To ascertain the awareness of managers, the second interview schedule employed, which was composed of twelve questions in first part and fifteen, questions in part II covering specific awareness. While preparing the schedule questions were constructed on rational criteria i.e. on the basis of the existing body of knowledge in this area. The interview schedule were developed mainly on the basis of the studies of Krishna (1998), Kumar et al, (2001), Mahajan (2004), to finalize the same experts' opinion was also obtained.

For the third objective, i.e. the nature and extent of community development programmes etc, manager responsible for programme coordination or in charge was respondent to the tool. The tool was developed based on the experiences gathered in the selected corporation.

A basic assumption in developing the interview schedules was the truthfulness and honesty of respondent. Some experienced managers suggested some modification to get reliable facts. On the basis of the suggestion & feedback from experienced managers and counsel of faculty members a few changes were made in the tool.

An interview guide was employed for group discussion to understand beneficiaries view on the community development programme of corporation; the guide was composed of ten broad and designed with experts' opinion.

## **8. PROCESS OF DATA COLLECTION**

In the present study, data were collected in phased manner. In the first phase, the researcher has reviewed literature on the related and chosen area of study. The researcher has visited Libraries of Tata Energy Research Institute, Indian Institute of Public Administration, Jawaharlal Nehru University, Management Development Institute in New Delhi; and National Library of Kolkata. He has also contacted corporate social responsibility practitioners and consultants like Partners in Change (PiC), New Delhi and visited the office of the Center for Social Markets (CSM) in Kolkata.

In the second phase, list of address and contact numbers of corporations having community development or welfare programmes in Assam were collected from various sources, like Confederation of Indian Industries regional office at Guwahati, NEDFi-Guwahati, Assam Chambers of Commerce, Directorate of Industries, Assam and the Techno-preneur (a web based data bank. Having put the entire list together a comprehensive list of sixteen corporations of Assam was prepared. All the corporations were contacted through personal letter as well as over telephone for reminding them. Responses and assurance for co-operation from ten corporations received. The response rate of corporations worked out around sixty three percent.

In the third phase of the study, the researcher has developed the tools of data collection. One Information Proforma, three Interview Schedules and one Interview guide have been developed for collection of data from, the corporation office, managers, and beneficiaries. The prepared tools of data collection have been tested with a few respondents of three selected corporations.

At the fourth phase, case studies were made only in the six corporations. On an average, the researcher spent one week in a corporation and collected information related to basic information of the corporation, programme, data related to the managerial perception, as well as awareness towards corporate social responsibility, nature and extent of community involvement programmes, to get insight into it.

At the last phase beneficiaries view from the field by forming one group for each corporation i.e. a total of six groups for six corporations were studied. The criteria of group formation were as under:

- a. Members of the group should fall within the age group of 20-60 years
- b. Each group should contain 10-15 members
- c. Group member should be composed of one local influential or opinion builder, people from schedule caste /schedule tribe or backward class and minority, women member, students, farmer or allied professional, one in service or retired Govt official stationed at the locality.
- d. Members (beneficiaries) should be permanent resident of the nearby area where community programmes were in operation.
- e. The group discussion has helped to understand how business can become an integral societal process and helps to work in close collaboration with the government institution, NGOs, SHGs to translate people's hope and aspiration in a manner that benefits business as well as underprivileged communities.

## **9. SAMPLING**

### **Universe**

As per NEDFi Databank (2005) and Techno-preneur list (2005), in the Assam total numbers of large and medium sized industrial companies were 117 inclusive of both public and private sector. According to experts, ten to fourteen per cent of companies had community



development programme. Thus, sixteen companies would carry out community development programmes. Those were considered as *Universe* of present study.

### Sample Size

Four public sector company namely Oil & Natural Gas Corporation Ltd, Hindustan Paper Corporation Ltd (Cachar Paper Mill), Numaligarh Refinery Limited, Oil India Limited and two private sector companies viz, Tata Tea Ltd, Barak Valley Cement Ltd, were studied in details.

### Sampling technique

Purposive sampling technique was employed for selection of companies as well as managers.

**Table 9: Characteristics of Samples**

Corporate Ownership					
Sector	Public Sector		Private Sector		Total
	04		02		06
<u>Industry /Business</u>					
Petroleum Exploration	Tea		Paper	Cement	Total
03	01		01	01	06
<u>Geographical Location</u>					
Location	South Assam		North Assam		Total
	03		03		06
Manager					
Sector	Public sector		Private Sector		Total
	16		08		24
Hierarchy Level					
Level	Lower	Middle	Upper		Total
	06	12	06		24

### Sampling criteria for selection of companies

- i. Company must have operational activities within the territory of Assam;
- ii. Company in the private sector must be registered under Companies Act; and

- iii. Corporation should have Community Development Programme on voluntary basis.
- iv. Sampling criteria for selection of manager
- v. Minimum experience of the respondent manager should be five years in the corporation ;
- vi. Minimum qualification of the respondent should be Bachelor Degree;
- vii. Respondent manager should either a member of core decision-making committee of the company or involved in community development programme of the company.

## **10. ANALYSIS OF DATA**

*In the present study, qualitative and quantitative both kinds of analyses were done. For first objective, data were presented both quantitatively as well as qualitatively.*

To fulfill the second objective, there were also quantitative and qualitative analyses. Quantitative analysis was done only for the data related to profile of managers. Hence simple cross tabulation was made to highlight the managers' identity. Information related to awareness collected from managers were analyzed qualitatively and quantitatively under four areas, they are (a) general awareness; (b) awareness on corporate social responsibility policy; (c) awareness on employee welfare, labour relation, governance and stakeholders; and (d) awareness on corporate volunteerism and community development.

For the third objective, data related to corporations' history, existing activities under community development programme were presented having followed qualitative method. To understand the nature of programme, data were discussed qualitatively. In this connection data were analyzed in the following areas of activities:

- i. Health : a) Facilities for different stakeholder b) Nature of service delivery c) Beneficiaries
- ii. Education: a) Nature of contribution b) Facilities and delivery of services
- iii. Environment : a) Awareness measure b) Pollution control c) Conservation measure d) Implementation policies

- iv. Infrastructure: a) Nature of contribution b) Areas of intervention c) Policy of implementation
- v. Income generation: a) Need identification b) Programme planning c) Beneficiaries selection d) Local cooperation e) Collaboration with other agencies f) Monitoring and evaluation.

Apart from the above, the nature of resources and flow of fund, the budget provisions and percentage of profits after tax allocated for community development programme under different areas were studied to understand the long-run continuity of the programme.

Under the third objective, qualitative analysis was also made for the data pertinent to the views of the beneficiaries. Information collected through group discussion were presented under the dimensions like, nature of services, necessity of services, impact of services, cooperation for different areas of services, scope of beneficiaries participation and beneficiaries expectations.

## **11. OPERATIONAL DEFINITIONS**

### **Volunteerism**

It means a voluntary spirit of individual and communities to take intervention for community good.

### **Corporation**

It is a type of economic formal organization. It has been recognized as legal entity with the right to own property, enter into contacts otherwise conduct business in the name of organization.

### **Corporate Volunteerism**

Corporate volunteerism is any formal or organized means a company uses to encourage and support its employees to volunteer their time and skills in the service of their communities as well as community development programme (Point of light foundation).

## **Awareness**

Awareness is the state or ability to perceive, to feel or to be conscious of events, object or sensory patterns. In this level of consciousness, sense data can be confirmed by an observer without necessarily implying understanding. More broadly, it is the state or quality of being aware of something (answers.com). Under the study it implies, having knowledge of something relevant in the organization and society.

## **Perception**

According to the Encyclopedia Americana (1992), the core meaning of perception is immediate awareness. To perceive something is to become directly or immediately aware of it. For example, by means of our senses, we perceive or become aware of, the objects, events, and persons in our environment. As per the New Encyclopedia Britannica (2002), perception is the process whereby sensory stimulation is translated into organized or meaningful experience. Mc Grow-Hill Encyclopedia of Science and technology (1987) defines perception as the subjective experiences of objects or events that ordinarily result from stimulation of the receptor organs of the body. Under the study, it means the process by which individual organize and interpret their impressions about the environment around them.

## **Manager**

Any one, who uses management skills or holds the organizational title of 'manager', under the study a manager means manager of a department in a corporation.

## **Public Sector Company**

It refers to the company where complete economic activity of production and distribution is vested with the government.

## **Private Sector Company**

It refers to the company where economic activity has vested with other than government.

Corporate community involvement

It implies engaging employees in community programs for social welfare (Nikolai, 2006).

### **Community Development Programme**

Community Development programme is an organized effort of individual/institution in a community, conducted in such a way to help solve community problems and generate social benefits.

## **12. LIMITATIONS OF THE STUDY**

It is important to include some discussion on the limitations of this study. The major limitations are highlighted below:

- i. The study is limited only in Assam. As there are different socio-political and economic aspects that influence the entire findings, the study may not be applicable in case of other states.
- ii. As the study is predominantly concerns large corporations, it has not examined the practices of small and medium size corporations, which are invariably the suppliers or outsource contractors of the large corporations or the rural industries.
- iii. The present discussion is also limited in providing only a generalized overview of various dimensions of conduct of corporate practices with regard to social and environmental issues. Critical socio-economic issues such as human rights and corruption require more exhaustive study.
- iv. In the fourth phase of the study, case studies of six corporations have been done. The outcome of the case study may not be generalized everywhere in Assam.

We have understood the methodology of the study that makes clear rationale of the study, its sample size, sampling procedure and so on. The following chapter will provide the context of the study in Assam i.e. the demographic characteristics, socio-cultural, politico-legal, and economic scenarios prevailing in the state.

## REFERENCES

---

- Chohoud, T. et al (2007), "Corporate Social and Environmental Responsibility in India- Assessing the UN Global Compacts", German Development Institute, Bonn, Germany.
- Encyclopedia Britannica Inc. (2002), *The New Encyclopedia Britannica*, Vol.9. Chicago.
- Garain, Swapan. (2001), "Corporate Citizenship and Corporate Volunteering", *Yojana* December, Vol 45.
- Graff, Linda. (2004). *Making a Business Case for Employer-Supported Volunteerism*.NY.
- Goode, W.J. and Hatt, P.K. (1981), *Methods in Social Research*, McGraw Hill Book, Singapore.
- Grolier Incorporated, 1992.*The Encyclopedia of Americana*, Vol.21, USA.
- Krishna, C.G. (1998), *Corporate Social Responsibility in India*, Mittal Publications, New Delhi.
- Kumar, Ritu. , Murphy, David. F., and Balsari, V. (2001), *Altered Images-The 2001 State of Corporate Responsibility in India Poll*, Tata Energy Research Institute, New Delhi.
- Mahajan, A. (2004), "Enhancing Business-Community Relations: The Role of Volunteers in Promoting Global Corporate Citizenship", National Research Report, New Delhi.
- Naidu, Y (2005), Corporate Social Responsibility: Interventions on HIV/AIDS, *Perspective in Social Work*, Vol. XX, No 1, Jan-April.
- NER Data Bank (2005), NEDFi -Guwahati
- Rajashekhar, H. (2005), *Corporate Social Responsibility: A conceptual Analysis*, Mittal Publications, New Delhi.
- Rogovsky, Nikolai. (2006), *Corporate Community Involvement Programmes: Partnerships for Jobs and Development*, International Institute for Labour Studies, Geneva.
- Robinson,S.P. (1999), *Organizational Behaviors- Concepts, Controversies and Applications*, Prentice-Hall of India, New Delhi.
- Websites
- [www.volunteer.ca](http://www.volunteer.ca), accessed on 02/09/2005
- [www.answers.com](http://www.answers.com), accessed on 06/01/2006
- [www.techno-preneur](http://www.techno-preneur), accessed on 11/08/2005