

# A Study on Public Attitude towards Corporate Social Responsibility of Insurance Companies

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**Abstract** - As businesses have increased their adoption of corporate social responsibility (CSR) practices and their involvement in issues traditionally under the domain of governments and NGOs, the measurement challenges associated with these non-traditional initiatives have also grown. The various statistical tools are used in this article i.e., percentage analysis and chi square test. The researchers discuss the Socio Economic details of the respondents and public attitude towards Corporate Social Responsibility of insurance companies.

**Keywords:** Public Attitude, CSR, Insurance companies

## I. INTRODUCTION

The field of Corporate Social Responsibility (CSR) has been exponentially well in the last decade. Nevertheless there remains protected debate about the legitimacy and value of corporate response to CSR concerns. According to business responsibility (BSR) corporate social responsibility is defined as “achieving commercial success in ways that honor ethical values and respect people, communities and the natural environment”. CSR is viewed then as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains and decision-making process throughout the company and usually include issues related to business ethics, community involvement, environmental concerns, governance, human rights in the market place as well as work place.

Corporate social responsibility (CSR) refers to a business practice that involves participating in initiatives that benefit society. Liz Maw, CEO of nonprofit organization Net Impact, noted that CSR is becoming more mainstream as forward-thinking companies embed sustainability into the core of their business operations to create shared value for business and society.

Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. Corporate Social Responsibility (CSR) is defined as the voluntary activities undertaken by a company to operate in an economic, social and environmentally sustainable manner. Hence the present study concentrates only awareness level of CSR activity of insurance companies in Sivakasi.

## II. STATEMENT OF THE PROBLEM

Corporate social responsibility is an important management tool today. Corporate social responsibility has emerged as a significant theme in the global business community and has become a mainstream activity. Innovation affects economic growth, cultural policy and the creative industries in the modern world. Contemporary organizations need to innovate to survive and be successful.

## III. OBJECTIVE OF THE STUDY

The following objectives of the study are as follows:

1. To analyze the socio economic details of the respondents in the study area.
2. To ascertain the awareness level of CSR activity of insurance companies in Sivakasi.
3. To offer suitable suggestions based on the findings of the study.

## IV. METHODOLOGY

The research was based on both primary data and secondary data. Primary data was collected by using questionnaire and secondary data have been collected from journals, websites, and magazines and so on. The researchers have collected data from only limited respondents i.e. 120 respondents. The researchers have selected judgment sampling method. The study is confined only to insurance companies not for other sectors.

## V. REVIEW OF LITERATURE

Kavitha, N.V. and Anuradha, T., (2016) in their article explained that CSR activities are symbiotic in nature leading to the welfare of all i.e., customers and the common people and need to pin their attention on social welfare projects besides caring for their economic health<sup>1</sup>.

Javid Ahmad Bhat and Nasir zameer Qureshi (2014) in their article highlights that the CSR activities are symbiotic in nature leading to the welfare of all i.e., customers and the common people and also elucidate the attitude of companies towards the corporate social responsibility<sup>2</sup>.

Kavitha Vyas and Mathur, S.P., (2016) in their article stated that the conceptual framework of CSR and also highlights the CSR initiatives undertaken by the selected life insurance

companies operating in India. CSR is continuing commitment by business to behave ethically and contribute to economic development<sup>3</sup>.

Maracine and Mihaela simona (2013) in their article clearly shows that the consumers are increasingly no longer interested only in buying good quality and reliable products, but they are also interested whether they were produced in a socially responsible manner<sup>4</sup>.

## VI. ANALYSIS AND INTERPRETATION

TABLE 1 SOCIO ECONOMIC FACTORS

S.No	Particulars		No. of respondents	Percentage (%)
1	Gender	Male	64	53.30
		Female	56	46.70
		<b>Total</b>	<b>120</b>	<b>100.00</b>
2	Age	Below 20 years	36	30.00
		21 yrs to 40 yrs	69	57.50
		40 yrs to 60 yrs	14	11.70
		Above 61 yrs	1	0.80
		<b>Total</b>	<b>120</b>	<b>100.00</b>
3	Area	Rural	30	25.00
		Semi Urban	47	39.20
		Urban	43	35.80
		<b>Total</b>	<b>120</b>	<b>100.00</b>
4	Literacy Level	Literate	115	95.80
		Illiterate	5	4.2
		<b>Total</b>	<b>120</b>	<b>100.00</b>
5	Educational wise Classification	SSLC	8	6.70
		HSC	30	25.00
		Under Graduate	40	33.30
		Post Graduate	38	31.70
		Diploma	4	3.30
		<b>Total</b>	<b>120</b>	<b>100.00</b>
6	Employment status	Employed	58	48.30
		Not employed	62	51.70
		<b>Total</b>	<b>120</b>	<b>100.00</b>
7	Occupation Wise Classification	Business Men	23	19.20
		Private Employees	20	16.70
		Professional	14	11.70
		Coolie	1	0.80
		<b>Total</b>	<b>58</b>	<b>48.30</b>
8	Unemployed Category Wise Classification	House Wives	13	10.80
		Job Seekers	5	4.20
		Student	44	36.80
		<b>Total</b>	<b>62</b>	<b>51.80</b>
9	Income Wise Classification	Up to Rs.10,000	39	32.5
		Rs. 10,001 to Rs. 20,000	30	25.00
		Rs. 20,001 to Rs. 30,000	28	23.30
		Above Rs. 30,000	23	19.20
		<b>Total</b>	<b>120</b>	<b>100.00</b>

Source: Primary data

**Hypotheses**

The following Hypotheses have in framed by the researcher:

1. There is no significant relationship between age wise classification and views about CSR.
2. There is no significant relationship between Education wise classification and sources of awareness of public on CSR.
3. There is no significant relationship between income wise classification and satisfaction level of public towards CSR

From the above analysis, It is inferred that 53.30% of the respondents are male, 57.50% of the respondents are age group of 21 yrs to 40 yrs, 39.20% of the respondents are of semi urban people, 95.80% of the respondents are Literate, 33.30% of the respondents are Under Graduate, 51.70% of the respondents are Not employed, 19.20% of the respondents are Business Men, 36.80% of the respondents are Student, and 25.00% of the respondents are Rs. 10,001 to Rs. 20,000.

TABLE 2 SOURCES OF AWARENESS

S.No.	Sources	No. of Respondents	Percentage (%)
1	Media	52	43.4
	Local NGO's	5	4.2
	Other Companies	1	0.8
	Business Associates	11	9.2
	UN Global Compact	1	0.8
	staff/friends	32	26.7
	Seminars/ conference	5	4.2
	Advertisements	13	10.8
	<b>Total</b>	<b>120</b>	<b>100.00</b>
2	CSR is necessary	69	57.5
	Distinctive position	40	33.3
	Meaningless	6	5.0
	Waste of money and time	5	4.2
	<b>Total</b>	<b>120</b>	<b>100.00</b>
3	Self-explanatory	29	24.2
	Firm Specific	40	33.3
	Straight Forward	31	25.8
	Complex	4	3.3
	Unclear meaning	8	6.7
	Academic	8	6.7
	<b>Total</b>	<b>120</b>	<b>100.00</b>
4	Highly Satisfied	18	15.0
	Satisfied	95	79.2
	Dissatisfied	7	5.8
	<b>Total</b>	<b>120</b>	<b>100.00</b>

Source:Primary data

From the above analysis, it is inferred that 43.4% of the respondents are sources of awareness about CSR in Media, 57.5% of the respondents are very necessary for cost of doing business in CSR, 33.3% of the respondents are

Specific Firm in the vision about the term CSR, and 79.2% of the respondents are Satisfaction level of public towards CSR.

TABLE 3 AGE-WISE CLASSIFICATION AND VIEWS ABOUT CSR

Particulars	Necessary	Distinctive Position	Meaningless	Waste of money and time	Total
Below 20 years	14	15	3	4	36
20 – 40 years	48	19	1	1	69
40 – 60 Years	7	6	1	0	14
Above 60 years	0	0	1	0	1
Total	69	40	6	5	120

Source: Primary Data

TABLE 4 CHI SQUARE TEST FOR AGE WISE CLASSIFICATION AND VIEWS ABOUT CSR

Particulars	Value	Df	Asymp.Sig. (2 – sided)
Pearson Chi – Square	33.520 <sup>a</sup>	9	.000
Likelihood Ratio	20.857	9	.013
Linear – by – Linear Association	3.172	1	.075
N of Valid Cases	120		

- a. 11 cells (68.8%) have expected count less than 5.
- b. The minimum expected count is .04.

**Result**

The Calculated value (0.000) is less than the Table value (0.05). So, the Null hypothesis is accepted. There is no relationship between the age and the views about CSR.

TABLE 5 EDUCATION QUALIFICATION AND SOURCES AND AWARENESS OF PUBLIC ON CSR

Particulars	Media	Chamber of Commerce	Local NGO's	Other Companies	Business Associates	UN Global Compact	staff/friends	Seminars/ conference	Advertisements	Total
SSLC	4	0	1	0	0	0	0	0	3	8
Higher Secondary	12	0	1	0	2	0	13	0	2	30
Under Graduate	14	5	1	0	3	0	12	1	4	40
Post Graduate	14	2	2	0	6	1	6	4	3	38
Diploma	0	1	0	1	0	0	1	0	1	4
Total	44	8	5	1	11	1	32	5	13	120

Source: Primary Data

TABLE 6 CHI SQUARE TEST FOR EDUCATION QUALIFICATION AND SOURCES AND AWARENESS OF PUBLIC ON CSR

Particulars	Value	Df	Asymp.Sig. (2 – sided)
Pearson Chi – Square	33.520 <sup>a</sup>	9	.000
Likelihood Ratio	20.857	9	.013
Linear – by – Linear Association	3.172	1	.075
No. of Valid Cases	120		

- a. 39 cells (86.7%) have expected count less than 5.
- b. The minimum expected count is .03.

**Result**

The Calculated value (0.001) is less than the Table value (0.05). So, the Null hypothesis is accepted. There is no relationship between the educational qualification and awareness and awareness of public on CSR.

TABLE 7 INCOME LEVEL AND SATISFACTION LEVEL OF PUBLIC TOWARDS CSR

Particular	Dissatisfied	Satisfied	Highly satisfied	Total
Upto Rs. 10,000	4	28	7	39
Rs. 10,001 to 20,000	1	25	4	30
Rs. 20,001 to 30,000	1	21	6	28
Above Rs.30,000	1	21	1	23
Total	7	95	18	120

Source: Primary Data

TABLE 8 CHI SQUARE TEST FOR INCOME LEVEL AND SATISFACTION LEVEL OF PUBLIC TOWARDS CSR

Particulars	Value	Df	Asymp.Sig. (2 – sided)
Pearson Chi – Square	5.578 <sup>a</sup>	6	.472
Likelihood Ratio	6.011	6	.422
Linear – by – Linear Association	0.049	1	.825
N of Valid Cases	120		

- a. 7 cells (58.3%) have expected count less than 5.
- b. The minimum expected count is 1.34

**VIII. SUGGESTIONS**

The following suggestions of the study are as follows:

1. It is found that majority of the respondents opine that CSR is the necessary cost of doing business.
2. It is suggested that the insurance companies should adopt reliable CSR module with media
3. As per the respondents opinion most the insurance companies are doing corporate Social responsibility practices on a regular basis.
4. It is suggested that it is necessary for the insurance companies should do corporate social responsibility activities on regular basis.

**Result**

The Calculated value (0.472) is more than the Table value (0.05). So, the Null hypothesis is rejected. There is no relationship between the income level and satisfaction level of public towards CSR

**VII. FINDINGS**

The following findings of the study are as follows:

1. The study has clearly mentioned that 53.30% of the respondents are male.
2. It is inferred that 57.50% of the respondents are age group of 21 yrs to 40 yrs.
3. It is found that 39.20% of the respondents are of semi urban people.
4. It is establish that 95.80% of the respondents are Literate, 33.30% of the respondents are Under Graduate.
5. It is viewed that 51.70% of the respondents are not employed.
6. It is focused that 19.20% of the respondents are Business Men.
7. It is reported that 36.80% of the respondents are Student.
8. It is indicated that 25.00% of the respondents are Rs. 10,001 to Rs. 20,000.
9. It is inferred that 43.4% of the respondents are sources of awareness about CSR in Media.
10. It revealed that 57.5% of the respondents are very necessary for cost of doing business in CSR.
11. It is reported that 33.3% of the respondents are Specific Firm in the vision about the term CSR.
12. It is studied that 79.2% of the respondents are Satisfaction level of public towards CSR.

**IX. CONCLUSION**

CSR has become necessary for organizational health and wealth. It plays a role of supporter and facilitator in the journey that enterprises undertake to reach the peak along with highest ethical standards. CSR programs and keep a close watch on their effects. Good CSR practices are essential for sustainable business.

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