Perception of Large and Medium Scale Companies Towards CSR with Reference to Coimbatore District

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Corporate Social Responsibility (CSR) became an integral part of the modern business practice, enforcing corporations' ability to demonstrate the responsibility for positive impact on the society, while aiming only at profit. The perception and implementation of CSR activities by large and medium scale companies in the Coimbatore district an important industrial hub in Tamil Nadu, India are examined in this study. This research examines how the companies are aware, what are their attitudes, and what are their motivations behind CSR initiatives, and important challenges they face in integrating CSR into their day to day operations. Qualitative and quantitative analyses show that whereas large scale organizations view CSR as a strategic tool for brand building and stakeholder engagement, medium scale enterprises see it as a compliance driven activity. In addition, the findings reveal the effect of regulatory policies, societal expectations and leadership of organizations on the degree and the form of CSR practices. The results of this study allow us to understand the CSR landscape of Coimbatore and suggest certain approaches which increases the effectiveness of CSR, and integrate them into the SDGs.

Keywords: Corporate Social Responsibility, Large And Medium Scale Companies, Perception, Implementation, Stakeholder engagement and Regulatory compliance.

1. Introduction

Corporate Social Responsibility (CSR) has been identified as one of the current mainstays of modern times, reflecting the ethical role of the organization towards ensuring societal social wellbeing. CSR includes activity that extends beyond the traditional profit making activity of a business to include elements such as environmental stewardship, community engagement, ethically governed business practice and philanthropic contribution. In India, CSR has been

formalized as a core aspect of corporate operations when firms are compelled to commit part of their profits towards societal development under a mandatory CSR provision under the Companies Act of 2013.

The Later-Moon and Moon types were used as testing sites to compare software systems' potential synchronization suitability for different types of business activity. Specifically, the district's dynamic industrial ecosystem creates such a unique setting to understand how CSR is implemented and perceived. Big companies with big resources and reach across the width of the globe are often pioneers of strategic CSR initiatives. However, mediumscale enterprises may be resourceconstrained and, as a result, their approach to CSR may follow compliance with regulations rather than proactive involvement.

The focus of this study is to examine the perception and adoption of CSR activities by large and medium size companies of Coimbatore. The study first deals with the drivers, challenges and outcomes regarding CSR practices in these organizations. The study analyze the difference and similarity in the CSR approach followed by large and medium scale company in Coimbatore and also provide a comprehensive CSR landscape overview in Coimbatore. Moreover, it aims to find ways to improve the effectiveness of CSR initiatives, coordinate with goals of sustainable development, and promote a good effect on the society and environment.

Building on existing knowledge on CSR, this research is useful for business leaders, policymakers and stakeholders who endeavor to encourage responsible business activities in an industrial region such as Coimbatore.

STATEMENT OF THE PROBLEM

With the enactment of the Companies Act, 2013, Corporate Social Responsibility (CSR) has become an essential, and indeed, mandatory part of business operations in India. The CSR activities are, however, perceived and depicted differently by large and medium scale companies owing to differential resources, strategies and priorities. This variation is further influenced by local socioeconomic factors and industry specific challenges in the industrially vibrant Coimbatore district. Large companies frequently consider CSR a strategic exercise to strengthen the brand image and instill trust in stakeholders, while for medium businesses, it is hard to move ahead of compliance amid limited financial and operational resources. The purpose of this study is been to look at the perceptions, approaches and difficulties associated with CSR practices in large and medium scale companies in Coimbatore and the impact of CSR and what opportunities can do for more effective implementation of CSR.

OBJECTIVES OF THE STUDY

➤ To analyze the perception of large and medium-scale companies in the Coimbatore district towards Corporate Social Responsibility (CSR).

➤ To compare the CSR practices and approaches adopted by large-scale companies with those of medium-scale enterprises.

➤ To identify the key challenges faced by companies in implementing effective CSR initiatives in Coimbatore.

➤ To provide recommendations for improving CSR practices to enhance their impact on community development and sustainable growth.

SCOPE OF THE STUDY

The objective of this study is to understand Corporate Social Responsibility (CSR) perception and implementation among large and medium scale companies in Coimbatore district. The factors affecting their CSR activities such as organizational resources, regulatory compliance and social responsibility expectations are also examined. Besides studying differences in CSR approaches among large and medium enterprises, the study also attempts to explore the challenges of incorporating CSR in their operations. The research analyzes these aspects with the view to offer insight into how effective are the CSR initiatives in Coimbatore and suggests ways to amplify the impact of these initiatives on the community so that it may contribute to sustainable development.

2. RESEARCH METHODOLOGY

Type of Research:

This study aims to describe the perception, practices, and challenges of CSR among large and medium scale companies in Coimbatore, for which the study is descriptive in nature.

Sources of Data Collection:

Primary Data: A structured questionnaire is been used to collect the data because it help collect insights by company representatives on their assessments and practices of CSR.

Secondary Data: Information relevant to the website is been obtained from company websites, government and public reports such as Australian Accounting Standards Board and the official Australian government website respectively.

Sampling Method:

Simple random sampling has been used in the study because every firm in the target population has equal likelihood of being sampled for the research.

Sample Size:

The sample size for the study is 150 and represents large, medium scale companies in Coimbatore.

Tools Used for the Study:

Percentage Analysis: To summarize or interpret data in terms of frequencies or proportions.

Descriptive Statistics: In order to analyze mean, standard deviation or any other statistical measures to know the data in trend.

One-Way ANOVA: This is something that we've done to compare CSR practices and perceptions between large and medium-scale companies.

LIMITATIONS OF THE STUDY

➢ The study focuses only on the Coimbatore district, which may limit the generalizability of the findings to other regions.

➢   Data collection is dependent on the willingness and honesty of the respondents, which may introduce response bias.

➢   The study is limited to a sample size of 150, which might not fully represent the diverse range of companies in the district.

➢   Secondary data sources may be outdated or lack detailed information, potentially affecting the comprehensiveness of the study.

3. DATA ANALYSIS AND INTERPRETATION

Sociographic variables of the companies

		Frequency	Percent
Type of Company	Large-Scale	65	43.3
	Medium-Scale	85	56.7
Industry Sector	Manufacturing	32	21.3
	IT/Software	65	43.3
	Retail	43	28.7
	Textiles	7	4.7
	Others	3	2.0
Years of Operation	Less than 5 years	45	30.0
	5–10 years	79	52.7
	11–20 years	20	13.3
	More than 20 years	6	4.0
Number of Employees	Less than 50	79	52.7
	50–100	33	22.0
	101–500	24	16.0
	More than 500	14	9.3
Annual Turnover	Less than 10 crores	105	70.0
	10–50 crores	16	10.7
	51–100 crores	16	10.7
	More than 100 crores	13	8.7
Total		150	100.0

Type of Company:

Of these 150 respondents, 43.3 percent are large-scale companies while 56 percent are from

medium-scale companies.

The respondents are from the IT/Software sector having the largest representation followed by Retail (28.7%), Manufacturing (21.3%), Textiles (4.7%) and Others (2.0%).

Years of Operation:

The companies operating for <5 years form a majority (52.7%) followed by companies operating for 5–10 years (30.0%). 13.3% of companies have an operation time between 11 and 20 years, while just 4.0% are companies with more than 20 years in operation.

Number of Employees:

In the sample, more than half of the companies have less than 50 employees (52.7%), predominantly smaller workforce sizes. 22.0% of companies are in the 50–100 employee size category, 16.0% of companies have 101–500 employees and 9.3% of companies are within more than 500 size category.

Annual Turnover:

The companies with revenue of more less than 10 crores turned out to be a huge majority (70.0% of the vehicles). 10.7 % of companies have an annual turnover of 10 – 50 crores, and of 51 – 100 crores have 10.7%, but only 8.7% companies have an annual turnover of more than 100 crores.

Descriptive Statistics for various dimensions

		N	Mean	SD
CSR Awareness and Importance	CSR is an essential responsibility for companies.	150	2.91	1.244
	CSR initiatives positively impact the company's reputation.	150	2.55	1.309
	The organization understands the regulatory requirements for CSR.	150	2.19	1.363
CSR Planning and Implementation	The company has a dedicated CSR team or department.	150	2.81	1.234
	CSR activities are aligned with the company's strategic objectives.	150	2.56	1.282
	The company involves stakeholders in planning CSR activities	150	2.57	1.261
CSR Impact and Benefits	CSR activities contribute to community development.	150	2.29	1.378
	CSR has improved employee engagement and morale.	150	2.69	1.231
	CSR practices help in achieving environmental sustainability goals	150	2.86	1.515

CSR Awareness and Importance: Agreement on CSR as an essential responsibility is moderate by companies (mean = 2.91). The least consensus is, however, with regard to CSR's beneficial impact on reputation (mean = 2.55) and understanding of regulatory requirements (mean = 2.19).

CSR Planning and Implementation: Agreement is moderate that there is a dedicated CSR team (mean = 2.81). CSR activities are also aligned with strategic objectives (mean = 2.56) and stakeholders participate in planning (mean = 2.57), both rated moderately, suggesting the existence of means but not yet systematic and participatory planning.

CSR Impact and Benefits: The companies show moderate agreement of the extent to which CSR practices contribute to environmental sustainability (mean = 2.86) and employee engagement and morale improvement (mean = 2.69). There is also relatively lower agreement that CSR contributes to community development (mean = 2.29), which indicates that community is not a key focus, or at best a less effective, area.

Descriptive Statistics for various dimensions

		N	Mean	SD
Challenges in CSR	Limited financial resources are a barrier to CSR implementation.	150	3.31	1.410
	Lack of expertise affects the effectiveness of CSR initiatives.	150	3.05	1.632
	Monitoring and evaluating CSR outcomes is challenging	150	2.98	1.454
Future of CSR in the Organization	The company plans to increase its CSR budget in the coming years.	150	3.37	1.277
	CSR is beencome a core part of the business strategy in the future.	150	2.36	1.160
	Collaboration with other organizations enhances the effectiveness of CSR efforts	150	2.47	1.219

Challenges in CSR

Limited Financial Resources: On a scale of 1 ('strongly disagree') to 5 ('strongly agree'), mean=3.31) financial constraints become a barrier to the implementation of CSR which is viewed as a meaningful activity for companies.

Lack of Expertise: Companies' relatively moderate perception of a lack of expertise as a barrier (mean = 3.05; moderately high) suggests that companies may not be able to design and execute impactful CSR initiatives.

Monitoring and Evaluation: Results are shown in Table 9 where we observe a mean score of 2.98, signifying that monitoring and evaluating CSR outcomes are considered a moderately difficult area and highlighting a potential gap in frameworks or practices to support such measurement.

The future of CSR in the Organization

Increase in CSR Budget: On the idea that companies plan to further invest in CSR, companies agree moderately (Mean = 3.37) that they increase their CSR budgets in the coming years.

Integration into Core Strategy: However, there is less agreement (mean = 2.36) on whether companies are likely to consider CSR as a core part of their business strategy (though companies understand CSR's importance, it is not yet seen as a strategic priority for many).

Collaboration for CSR Effectiveness: The moderate agreement (mean = 2.47) with which companies deem collaboration with other organization as important to increase CSR effectiveness implies that current partnerships are limited in CSR initiatives.

Comparison between Number of Employees and various dimensions of the study

There is a significance difference between number of employees and various dimensions of the study

	Number of Employees:	N	Mean	SD	F	Sig
CSR Awareness and Importance	Less than 50	79	2.52	1.019	.539	.656
	50–100	33	2.60	0.893		
	101–500	24	2.71	1.309		
	More than 500	14	2.29	0.783		
	Total	150	2.55	1.022		
CSR Planning and Implementation	Less than 50	79	2.61	0.904	.118	.949
	50–100	33	2.71	0.986		
	101–500	24	2.67	0.695		
	More than 500	14	2.69	0.790		
	Total	150	2.65	0.876		
CSR Impact and Benefits	Less than 50	79	2.68	0.839	2.589	.055
	50–100	33	2.68	0.810		
	101–500	24	2.21	0.604		
	More than 500	14	2.79	0.757		
	Total	150	2.62	0.805		
Challenges in CSR	Less than 50	79	3.10	0.948	.324	.808
	50–100	33	3.24	0.678		
	101–500	24	3.00	1.208		
	More than 500	14	3.07	1.104		
	Total	150	3.11	0.953		
Future of CSR in the Organization	Less than 50	79	2.76	0.802	2.109	.102
	50–100	33	2.65	0.824		
	101–500	24	2.97	0.680		
	More than 500	14	2.36	0.402		
	Total	150	2.73	0.770		

CSR Awareness and Importance

Overall indicators of awareness were moderate across all categories of employee, the highest level of awareness being in companies with 101-500 employees (mean = 2.71) and lowest in companies with over 500 employees (mean = 2.29). Nevertheless, the results for F value (0.539) and significance level (p=0.656) indicate that the proposed differences are not statistically significant.

This dissertation talks about CSR planning and implementation.

For planning and implementation, scores are comparable across employee categories with 50–100 employees having the highest mean (mean = 2.71) with that of less than 50 employees having the lowest (mean = 2.61). The CSR planning and implementation practices of the groups did not show any significant difference with F-value (0.118) and pvalue (0.949).

CSR Impact and Benefits

There's slight variation in perceptions of impact and benefits of CSR; companies with more than 500 employees report the highest mean (mean = 2.79) while companies with 101–500 employees report the lowest (mean = 2.21). The F-value (2.589) is higher but it's p-value (0.055) is just marginally above the threshold for significance so there can be a difference however not significantly.

Challenges in CSR

Mean scores in all categories of CSR are perceived relatively consistently, from 3.00 (101–500 employees) to 3.24 (50–100 employees). Their differences are substantiated by F-values (0.324) and p-values (0.808), which report the differences are not significantly different statistically.

This is a case study of the corporate social responsibility (CSR) and how it might be transformed in the organisation.

Those companies with 101–500 employees have the highest future optimism (with a mean score of 2.97), while the companies with more than 500 employees have the lowest score (2.36). Slightly differing, but a non significant p-value of 0.102 with F-value of (2.109) implies that there were no statistically significant differences.

Overall Insight

Results indicate no statistically significant differences on any dimension with regards to CSR perceptions such as awareness, planning, impact, challenges, and future outlook for companies of different sizes (as measures by the number of employees.) This implies that company size (measured by number of employees) does not appear to be influential in the perception or implementation of CSR.

Comparison between Annual Turnover and various dimensions

There is no significance difference between Annual Turnover and various dimensions

Dimensions	Annual Turnover	N	Mean	SD	F	Sig
CSR Awareness and Importance	Less than 10 crores	105	2.54	0.912	1.905	0.131
	10–50 crores	16	2.15	1.082		
	51–100 crores	16	3	1.52		
	More than 100 crores	13	2.51	0.958		
	Total	150	2.55	1.022		
CSR Planning and Implementation	Less than 10 crores	105	2.68	0.951	0.224	0.879
	10–50 crores	16	2.5	0.61		

	51–100 crores	16	2.58	0.638	
	More than 100 crores	13	2.64	0.823	
	Total	150	2.65	0.876	
CSR Impact and Benefits	Less than 10 crores	105	2.59	0.808	5.257	0.002
	10–50 crores	16	3.17	0.678	
	51–100 crores	16	2.1	0.628	
	More than 100 crores	13	2.77	0.737	
	Total	150	2.62	0.805	
Challenges in CSR	Less than 10 crores	105	3.13	0.936	0.924	0.431
	10–50 crores	16	3.38	0.581	
	51–100 crores	16	2.92	1.245	
	More than 100 crores	13	2.87	1.051	
	Total	150	3.11	0.953	
Future of CSR in the Organization	Less than 10 crores	105	2.69	0.78	3.788	0.012
	10–50 crores	16	3.04	0.851	
	51–100 crores	16	3.08	0.671	
	More than 100 crores	13	2.28	0.3	
	Total	150	2.73	0.77	

CSR Awareness and Importance

Companies with an annual turnover of 51 100 crores have the highest awareness and lowest importance perception (mean = 3.00), and companies in the 10 50 crore range have lower awareness (mean = 2.15). Nevertheless, by observing the F-value value (1.905) and the significance level (p = 0.131), we conclude that there are no statistically significant differences in turnover categories.

In CSR planning and implementation.

Planning and implementation perceptions are generally similar across turnover groups, with mean scores from 2.50 (turnover between 10 and 50 crores) to 2.68 (turnover less than 10 crores). The results (a F value of 0.224 and p value of 0.879) indicate that there was no significant difference among the groups.

CSR Impact and Benefits

Perceived impact and benefits of CSR are (F-value = 5.257, p = 0.002) significantly different, depending on annual turnover. Perceived impact is reported highest by companies with turnover of 10–50 crore (mean = 3.17) and lowest by companies in the 51–100 crore class (mean = 2.10). Furthermore, the perceived benefits of CSR are conditional on turnover, suggesting that the benefits of CSR in those businesses with a midrange or high turnover is been quite different.

Challenges in CSR

They perceive the implementation of CSR in a similar way across turnover groups, with mean scores in the range of 2.87 (more than 100 crores) to 3.38 (10–50 crores). There were no statistically significant differences (as seen by the F- value of 0.924 and p-value 0.431).

The schools that are to be evaluated are examined to determine the future manner of CSR in the organization.

Significant differences occur in the future orientation of CSR by turnover (F-value = 3.788, p = 0.012). However, those companies belonging to 51 – 100 crore turnover group report the highest optimism for CSR (mean = 3.08) while those in more than 100 crore also have least optimism for CSR (mean = 2.28). In other words, companies in the middle of their lifespan seem to be more future oriented regarding CSR compared to the latter ones.

4. FINDINGS

• The study shows that majority of the respondents are medium scale companies (56.7 %) and work with the IT/Software sector (43.3%).. About 52.7% of most companies have been in operation for 5-10 years, and about 52.7% of most companies have no employees less than 50 people. The majority who report annual turnover of less than 10 crores (70.0%) make the highest turnover. These implications suggest that sample consists of relatively younger medium scale businesses with smaller sizes in workforce and revenue profiles and further, are located majorly in the IT/Software industry in the Coimbatore district.In general, companies recognize the importance of CSR, but the understanding of regulatory needs, planning and achievement of community development goals has room for improvement. years (52.7%) and employ fewer than 50 people (52.7%). In terms of annual turnover, the majority report earnings of less than 10 crores (70.0%). These findings suggest that the sample is largely composed of medium-scale, relatively young businesses with small workforce sizes and lower revenue profiles, predominantly in the IT/Software industry in the Coimbatore district.

• Overall, while companies recognize the importance of CSR, there is scope for improvement in understanding regulatory requirements, planning, and achieving community development goals.

• In the data, financial and expertise related challenges are main problem for CSR implementation.. On the other hand, even though companies intend to allocate more assets to CSR, they are less confident about making CSR a key strategic component, or on leveraging collaboration. The need for capacity building, strategic integration and alliances, in order to improve the effectiveness and overall impact of CSR initiatives remains.The results indicate overall that companies of various sizes (headcount) generally have consistent perceptions regarding CSR awareness, planning, impact, challenges, and future outlook, with no statistically significant differences between any dimension.oration. This highlights the need for capacity building, strategic integration, and partnerships to enhance the effectiveness and impact of CSR initiatives.

• The results suggest that the perceptions of CSR awareness, planning, impact, challenges, and future outlook are generally consistent across companies of different sizes

(based on employee count), with no statistically significant differences in any dimension. This also means that the size of a company (in the number of employees) does not appear to make a difference in how CSR is perceived or implemented.

• Significant differences across the dimensions CSR Impact and Benefits and Future of CSR show how annual turnover influences these perceptions. For companies of mid range turnover i.e. 10–50 crores and 51–100 crores, the perception of CSR benefits and future focus are higher, compared to higher turnover companies (more than 100 crores).If we look at awareness, planning and challenges, we all typically experience these issues across all the turnover categories, which makes us believe that size doesn't really matter that much..

• Companies with mid-range turnover (10–50 crores and 51–100 crores) exhibit higher perceptions of CSR benefits and future focus, while high-turnover companies (more than 100 crores) show comparatively lower scores in these areas.

• Awareness, planning, and challenges are perceived consistently across all turnover categories, suggesting these aspects are less influenced by financial size.

5. SUGGESTIONS

• Enhance Regulatory Awareness: Thus, companies should give top priority to understanding the administrative requirements needed for CSR so that CSR initiatives can be brought in line with legal and cultural requirements.

• Strengthen CSR Planning: In particular, medium scale businesses have much to gain through systematic CSR planning that integrates CSR into the strategic objectives and involves key stakeholders.

• Capacity Building and Expertise Development: Organizations should build their internal capacity and a pool of knowledge on CSR implementation. With expertise related challenges, companies can involve training programs, hiring CSR specialists, know how sharing platforms for members to know best practices.

• Increase Financial Commitment: High revenue companies should allocate adequate financial resources to CSR activities otherwise the potential gains from CSR and its impacts to the community development and sustainability is been maximized..

• Foster Collaboration: The reach and effectiveness of CSR initiatives can be improved through partnering with other organizations, NGOs or government bodies. In addition, it can lower costs and face issues as a team.

• Promote CSR as a Core Strategy: As such, companies should strive to incorporate CSR to form a core of their business strategy. Boost their long term sustainability, reputation and stakeholder trust.

• Focus on Community Development: Community based initiative is where companies need to put more emphasis to make a positive societal impact and meet real local needs.

- Utilize Monitoring and Evaluation Tools: To measure the effectiveness of CSR initiatives and to constantly improve their outcomes, there should be effective monitoring and evaluation frameworks in place.

- Target Mid-Range Companies for CSR Advocacy: They should develop CSR activities for mid range turnover companies which take up higher CSR focus and that may be a model for other companies.

- Encourage Larger Companies to Lead: Companies with high turnde should be encouraged to be leaders in CSR with more resources and state of the CSR art resources consistent with global sustainability goals.

6. CONCLUSION

Results of this study offer valuable insights of the perception and implementation of Corporate Social Responsibility (CSR) amongst large and medium scale companies of Coimbatore district. They find majority of the respondents to be medium scale, young IT/Software businesses, with a smaller workforce size and lower annual turnover. Companies recognize CSR as having relevance, but there is plenty of room for performance improvement – around regulatory requirements, strategic planning, and fulfilling community development objectives. Despite the benefits of CSR initiatives, however, these benefits might be hampered by financial constraints and lack of expertise. However, significant opportunities to integrate CSR as a core business strategy and capitalise on the potential of collaboration are not fully exploited by companies planning for higher investments in CSR. The study also shows that company size (number of employees) does not significantly affect CSR perceptions, underlining firms of similar size have similar attitude and practice CSR. Yet, perceptions of CSR benefits in years ahead and future focus depend heavily on annual turnover, with companies in mid range turnover more optimistic and showing greater perceived benefits of CSR as compared to high turnover companies. The study provides a general message of need for more regulatory awareness, aligning strategies to maximising CSR impact by embracing capacity building and collaborative approaches. Companies in Coimbatore district could enhance CSR practice and achieve better impact with effective and sustainable initiatives by addressing above mentioned areas.

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