Attractiveness of CSR in Job Choice Decisions: The Case of India

Femida Handy, Lesley Hustinx, and Katharina Spraul

Overview

Corporate social responsibility (CSR) has become increasingly attractive to job-seekers. Monetary incentives and the nature of the job notwithstanding, superior talent is also attracted by the company’s reputation for being a good citizen. This chapter reports on the attractiveness of employers’ engagement with and commitment to CSR practices to job-seekers in India. We examine attitudes towards CSR and investigate the compensation job-seekers are willing to forgo to work at a corporation with the desired CSR practices. Our findings suggest that, in the Indian context, the educational content may play a minor role in explaining the attractiveness of CSR-practising employers. Furthermore, different forms of employee volunteering may invoke different employee reactions. Finally, in recruiting talent, companies with a desirable CSR reputation may be successful, even with offers of lower monetary wages.

Learning objectives

By the end of this chapter, readers should be able to:

- explain that CSR is important to job-seekers in many countries, including India
- show that job-seekers are interested in working for companies with good CSR records
- demonstrate how even students with little exposure to CSR in their field of study find CSR attractive in future employers
- implement CSR as a means to attract job-seekers.
Introduction

Attracting and retaining superior talent are key issues for firms seeking to maintain a competitive advantage. Monetary incentives notwithstanding, superior talent is also attracted by the nature of the job and other organisational characteristics (Montgomery & Ramus, 2011). When potential applicants consider where they might want to work, they often have limited knowledge of employing organisations (Barber, 1998; Turban, 2001), which may be based on an organisation’s image as an employer, its role in the community (CSR programmes) and its position in the economy – each of which is found to be a strong predictor of applicants’ attraction after an initial interview (Lievens & Highhouse, 2006). Findings in the literature suggest that perceptions of a firm’s corporate social responsibility (CSR) programmes indeed matter to job applicants when they are making job-choice decisions (Jones, Willness, & Madey, 2014; Rupp, Shao, Thornton, & Skarlicki, 2013).

Why is CSR attractive to job applicants? There is a well-established theoretical rationale and concomitant empirical findings linking CSR and job-applicant attraction based on the following rationale: firms adopting CSR programmes signal a more positive image of a caring employer, making them more attractive as an employer and thereby attracting a higher number of high-quality applicants. As signals in one cultural context may not have the same signalling power in other contexts (Spence, 1978), many of the previous studies of the attractiveness of CSR conducted in the West cannot be easily generalised to the Indian context. Indeed, recent government policies have mandated CSR undertakings by large companies in India (Singh & Verma, 2014). This chapter seeks to establish whether CSR is attractive to job-seekers in India, and their commitment to CSR practices.

Studies on the attractiveness of CSR to job applicants are usually undertaken by examining students studying in the business programme who primarily seek jobs in corporations. However, these findings cannot be generalised to all employees being recruited by corporations such as engineers, computer scientists, researchers, chemists, and so on, all of whom may also be influenced by the CSR practices of their employer. As students are likely to self-sort themselves into study programmes, they may also have different expectations and attitudes in general (Borkowski & Ugras, 1998), and may not react in the same way to the CSR practices of their employer. Thus, it is useful to see if the attractiveness of CSR in job-choice decisions is influenced by the study of different programmes.

In this chapter we ask: What is the attractiveness of CSR to students in their job-seeking decisions in India? We include study programme (business or engineering), individual-level factors found in the literature that could impact on the attractiveness of CSR, such as exposure to CSR and personal
job expectations, and the importance the students ascribe to profitability as the goal of business in society (Wong, Long, & Elankumaran, 2010).

We measure the attractiveness of CSR to future job-seekers in two ways: compensation foregone and commitment, as described below:

- The compensation respondents are willing to forgo to work at a corporation practising CSR suggests a good proxy measure of the commitment to CSR (Montgomery & Ramus, 2011). The willingness to work for a lower monetary wage as a trade-off was suggested by the literature on not-for-profit employees who were willing to work at lower wages for social causes important to them (Frank, 1996; Handy, Mook, Ginieniewicz, & Quarter, 2007; Haski-Leventhal, Pournader, & McKinnon, 2017).
- Another measure of commitment to CSR, as suggested by Aguilera, Rupp, Williams, and Ganapathi (2007), is engagement with employers’ CSR efforts, such as corporate volunteering programmes.

**Context of the study: India**

While there exists a plethora of literature about the attractiveness of CSR to job-seekers in developed western countries, less is known about what transpires in the developing world. Due to increasing global influences and the proliferation of multinational companies, it is likely that job-seekers have similar perspectives on CSR as those in developed countries. Our study is based in India where there is a long tradition of corporate philanthropy (Kassam, Handy, & Janson, 2016; Sharma, 2009). However, CSR, as it is now known, is a relatively new phenomenon due to India’s late entry into the market economy. There has been a shift in expectations among job-seekers in recent decades, largely due to easily available information on the internet about CSR practices globally, with many firms (especially multinationals) utilising CSR programmes to attract talent in India (Ardichvili, Jondle, Kowske, Cornachione, Li, & Thakadipuram, 2012; Tymon, Stumpf, & Doh, 2010). With recent government initiatives requiring large companies in India to undertake CSR activities (Singh & Verma, 2014), the discourse of CSR has changed from being voluntary to mandatory for a small segment of large and profitable businesses, and has further changed expectations among stakeholders in the years preceding its final passage by the legislature.

**Methods**

This study surveyed business and engineering students, soon to be job-seekers, at a large university in South India. Using a sample of convenience,
we avoided biases inherent in large classroom settings and ensured students across the faculties were part of the sample by distributing the surveys at various locations, including libraries, small classrooms and student cafeterias, over a period of three weeks. In general, most students, when requested, filled out the surveys, which took roughly 10–12 minutes to complete and were written in English, the language of instruction at the university. Less than 5% of students refused to fill out the survey, and there were no incentives given to complete them. We concluded our survey collection after we received completed surveys from 400 business and engineering graduate students.

We note that there exists a mandatory course on Corporate Governance and Ethics in the second semester for business students, while there is no such requirement for engineering students at the university where the survey was conducted. We also note that the university is located in Karnataka, where ample job opportunities in IT and other sectors exist and high economic growth has been recorded (from 5.5% in 1999 to 10.4% in 2010) (Paul, Sridhar, Reddy, & Srinath, 2012). There is a high demand for talent, which creates a competitive market and gives business and engineering students the ability to choose employment best suited to their preferences.

Measures

Dependent variables

_Att... as a job applicant_: participants were asked to indicate the attractiveness of CSR in their job choice. We asked, ‘How important would it be to you that your future employer is engaged in CSR activities?’ Responses on the Likert-type five-point scale ranged from ‘Not important’ to ‘Very important’. This single-item measure was used following Backhaus, Stone and Heiner (2002, p. 303), who found a high correlation in their four-item measure, suggesting a single-measure criterion to reduce respondent fatigue.

_Engagement with CSR_: respondents were asked, ‘Would you find it acceptable if your future employer expects you to volunteer on behalf of the company?’ with responses measured on a five-point Likert-type scale. We further differentiated the responses by introducing whether the volunteering was ‘on company time’ versus ‘in your free time’; based on the findings of employee volunteering literature (Meijs, Tschirhart, Ten Hoorn, & Brudney, 2009; Meinhard, Handy, & Greenspan, 2010; Rodell, Breitsohl, Schröder, & Keating, 2016; Van Der Voort, Glac, & Meijs, 2009), companies often choose different strategies in engaging employees. These strategies had differing personal costs to the employee.
Commitment to CSR: we measured the wage trade-off for CSR used by Montgomery and Ramus (2011) and asked students to select a range of their earnings (a percentage from 0% to more than 10%) that they would be willing to forgo (‘if you knew your company was engaged in CSR activities you agreed with?’).

Independent variables

Job expectations: we asked 22 questions derived from the scales used in the literature (Hurst & Good, 2009). Through an exploratory factor analysis (maximum likelihood estimation, varimax rotation), we obtained a two-factor solution with a simple structure. The first factor (Alpha Cronbach .81) refers to ‘extrinsic job expectations’ and includes 10 items such as ‘work that offers appropriate pay’, ‘promotion possibilities in the workplace’, ‘making a lot of money’ and ‘being able to afford a good standard of living’. The second factor (Alpha Cronbach .79) refers to ‘intrinsic job expectations’ and consists of eight items, including ‘making the world a better place through my work’, ‘helping people in need’, ‘having the opportunity to do something worthwhile for society’ and ‘having good relationships with my colleagues’.

Primary goal of business: this variable estimated students’ view on what the primary goal of a business is, as suggested by Wong et al. (2010). We measured the extent to which students think that the primary goal of business is ‘to make profit for its owners’ or ‘to provide social, cultural and economic benefits for the community’. In both cases, the possible responses ranged from 1 = strongly disagree to 5 = strongly agree.

CSR-related education: respondents differed in their exposure to CSR-related education. Building on the work of Evans and Davis (2011), we asked students to rate the extent to which they learned about CSR at their university on a five-category scale, ranging from ‘not at all’ to ‘in all my courses’.

Study programme: students were coded as ‘business’ or ‘engineering’ for their self-reported study programme.

Control variables: gender, age and family income were also measured, as these have been used as control variables in previous studies (Greening & Turban, 2000).

Analytical model

We examined the influence of the study programme, CSR-related education, job expectations and what was perceived as the primary goal of business on the students’ evaluation of the attractiveness of CSR as a job applicant
Impacts

(Figure 9.1). Next, we assessed the influence of these independent variables on students’ engagement with and commitment to CSR as future employees. We added the attractiveness of CSR as a job applicant to the model to examine its effect on the students’ engagement with and commitment to CSR as future employees (Figure 9.2, Models A and B). We used simple linear regression models to assess the net effect of the explanatory variables on each of the dependent variables.

Figure 9.1. Model on the attractiveness of CSR

Figure 9.2. Model A & B Engagement with CSR and commitment to CSR
Sample characteristics

In our sample of 400 students, there was a slight overrepresentation of males (57.1%). This was likely caused by the overrepresentation of males among business students (63.3% male). Among the engineering students in our sample, there was a more balanced gender distribution (51.0% male). The age of the respondents ranged from 18 to 34 years, with an average of 21.7 years. The mean age was 22.9 years (business students) and 21.6 years (engineering students). Most respondents came from a middle-income class (85.4%). In engineering, there were slightly more students from a higher income class (13.1%) than in business (8.0%), but the difference was not statistically significant. Interestingly, and maybe contrary to prevailing views of business students compared to students from other disciplines, both groups expressed similar job expectations, valuing both extrinsic and intrinsic job expectations equally strongly (4.25 and 4.44 on a five-point Likert scale), and both groups saw the community benefits of business as more of a primary goal than just making profit (4.23 and 4.03 on a five-point Likert scale).

Given the likely influence of exposure to CSR education on how students evaluate a future employer’s CSR practices, it is important to note that business and engineering students in our sample significantly (p<.000) differed in the extent to which they had learned about CSR on their course, with 39.5% of business students indicating that CSR was a topic in most to all of their courses, as compared to 13.1% of engineering students. Moreover, more business students than their engineering counterparts rated their exposure to CSR-related courses as very important (44.4% versus 24.9%, p<.000). Descriptive analysis, however, indicates that, in spite of these differences, students’ engagement with and commitment to CSR did not vary depending on the study programme. On average, students expressed a slightly higher interest in volunteering on company time than in volunteering in their free time if a future employer required them to volunteer on behalf of the company (3.88 and 3.64 on a five-point Likert scale). Furthermore, students on average were willing to forgo between 1% and 6% of their income to work for a company with a CSR policy they found attractive.

Findings

Correlational analysis of key variables

Table 9.1 reports on the bivariate correlations among our key variables. First, with respect to CSR-related education, we found a positive, albeit relatively weak, association with the attractiveness students attach to a future employer’s engagement in CSR activities (r = .16). Surprisingly, a much
Impacts

A stronger positive correlation \( (r = .22) \) existed between CSR-related education and students’ view that the primary goal of a company is to make profit for its stakeholders. Further, the more students were exposed to CSR-related education, the more willing they were to volunteer on company time and in their free time. However, no significant association existed for the willingness to work for less salary in support of a company’s CSR policy.

Compared to CSR-related education, the job expectations of students were more strongly correlated with the attractiveness of an employer’s CSR, and, surprisingly, this was the case for both extrinsic and intrinsic job expectations \( (r = .21 \) and \( r = .23 \) respectively). This suggests that there was no contradiction between the more material and non-material value orientations of students (considering that both intrinsic job expectations and the attractiveness of CSR are part of a non-material value pattern), which is indicated by the strong, significant positive correlation between both sets of job expectations \( (r = .49) \). This observation is further supported by the positive significant correlation that exists between the attractiveness of an employer’s CSR and what job applicants consider to be the primary goals of a business \( (r = .11 \) for making profit and \( r = .21 \) for benefiting the community). There is a significant positive correlation between both primary goals \( (r = .12) \), which are also positively correlated with both types of job expectations. In other words, no mutually exclusive relationship exists between a material, profit-oriented outlook and a non-material, community benefit-oriented outlook.

Finally, students’ job expectations, extrinsic and intrinsic, are also associated with their engagement with CSR through employee volunteering and their commitment to CSR; however, clear differences exist.
While both extrinsic and intrinsic job expectations were positively correlated \((r = .33)\) with the attractiveness of CSR, extrinsic job expectations correlated positively with a willingness to volunteer on company time \((r = .11)\), but negatively with a willingness to forgo earnings \((r = .24)\). Intrinsic job expectations were not associated with volunteering on company time, but were positively correlated with employee volunteering in one’s free time \((r = .17)\). Thus, in terms of students’ personal engagement with CSR, we seem to be measuring separate phenomena and it appears to be dependent on their job expectations.

This is further supported by the lack of association between the three indicators. A positive correlation existed between willingness to volunteer in one’s free time and willingness to work for less money in support of a company’s CSR activities \((r = .19)\), but no significant correlation was found between employee volunteering on company time and employee volunteering in one’s free time or working for less money. Thus, volunteering on company time and in one’s free time, while both part of the ‘employee volunteering’ CSR programme, were not correlated, suggesting they were perceived as separate phenomena by students.

**Regression analyses**

In a second step in the analysis, we examine the influence of the study programme, CSR-related education, job expectations and perceptions of the primary goal of business on the students’ evaluation of the attractiveness of CSR as a job applicant (Figure 9.1 above). Table 9.2 shows the results of the simple linear regression.

First, no significant difference exists between business and engineering students with regard to the attractiveness of CSR as job-seekers, even when controlling for covariates. Furthermore, the exposure to CSR-related education on their courses did not predict the attractiveness of CSR. Albeit a positive relationship, it was only marginally significant \((p = .055)\). However, students’ personal value orientations, manifested in job expectations, were important. Intrinsic job expectations significantly increased the attractiveness of CSR to a job applicant. In addition, if students perceived the primary goal of a company to be benefits to the community, they were also more likely to attach attractiveness to their future employer.

In the next three simple linear regression models, based on Figure 9.2, we examined the three dependent variables for job applicants’ potential engagement with CSR: volunteering on company time – Model 1; volunteering in one’s free time – Model 2; and willingness to forgo earnings – Model 3 (in Table 9.3). For each of these three models, we tested a basic model (Figure 9.2, Model A) and then examined the additional effect of
## Table 9.3. Dependent variables: engagement with CSR and commitment to CSR

<table>
<thead>
<tr>
<th>Model</th>
<th>1. Engagement with CSR: volunteering on company time</th>
<th>2. Engagement with CSR: volunteering in free time</th>
<th>3. Commitment to CSR: willingness to forgo earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model A1</td>
<td>Model B1</td>
<td>Model A2</td>
</tr>
<tr>
<td>Gender (ref = male)</td>
<td>−.10</td>
<td>−.12*</td>
<td>−.08</td>
</tr>
<tr>
<td>Age</td>
<td>.03</td>
<td>.03</td>
<td>−.04</td>
</tr>
<tr>
<td>Family income: high (ref = middle or low)</td>
<td>.02</td>
<td>.2</td>
<td>.01</td>
</tr>
<tr>
<td>Study programme: Engineering (ref = business)</td>
<td>.05</td>
<td>.06</td>
<td>.04</td>
</tr>
<tr>
<td>CSR-related education – most or all courses (ref = in fewer courses)</td>
<td>.08</td>
<td>.05</td>
<td>.12*</td>
</tr>
<tr>
<td>Job expectations: Extrinsic</td>
<td>.11</td>
<td>.09</td>
<td>−.21**</td>
</tr>
<tr>
<td>Intrinsic</td>
<td>−.07</td>
<td>−.12</td>
<td>.25***</td>
</tr>
<tr>
<td>Primary goal of business = profit</td>
<td>.12</td>
<td>.09</td>
<td>.11</td>
</tr>
<tr>
<td>Primary goal of business = community benefits</td>
<td>.04</td>
<td>−.01</td>
<td>.09</td>
</tr>
<tr>
<td>Attractiveness of CSR</td>
<td>.30***</td>
<td>.33**</td>
<td></td>
</tr>
<tr>
<td>R-Square</td>
<td>.05</td>
<td>.13</td>
<td>.10</td>
</tr>
<tr>
<td>Adjusted R-Square</td>
<td>.02</td>
<td>.10</td>
<td>.07</td>
</tr>
</tbody>
</table>

*Note: Linear regression model, standardised beta-coefficients significance: *p<.05; **p<.01*
the attractiveness of the CSR of the employer on the dependent variables (Figure 9.2, Model B).

We now discuss the findings across the models for the independent variables:

Control variables: of all the control variables (gender, age and family income), only gender played a role. In Model B1 (volunteering on company time), when controlling for the attractiveness of CSR, females were less inclined than males to volunteer on company time.

Study programme: whether students pursued business or engineering did not affect their engagement with and commitment to CSR as a future employee in all models.

CSR-related education: among the three models, CSR-related education had only a positive effect on employee volunteering in one’s free time (Model A2); however, this effect is insignificant when controlling for the attractiveness of CSR (Model B2). This suggests that CSR-related education raised interest and support for CSR which then had an additional effect on students’ commitment to CSR by way of volunteering in one’s free time (Table 9.2). It however should be noted that we did not find a significant net effect of CSR-related education on the attractiveness of CSR in one’s future employer (Table 9.2).

Job expectations: intrinsic and extrinsic job expectations had no significant influence on employee volunteering on company time (Model A1), but played a significant role in Model A2 and Model A3. Stronger extrinsic (material) job expectations were negatively associated with volunteering in one’s free time (Model A2) and with earning less (Model A3). Intrinsic (non-material) job expectations were positively associated with a willingness to perform employee volunteering in one’s free time (Model A2), but had no effect on forgoing earnings. These effects remain stable when adding the attractiveness of CSR (Models B1, B2, B3).

Primary goal of the company: a strong belief in the primary goal of the business being either to make profit or to provide community benefits, was positively related to students’ willingness to forgo earnings, even when controlling for the attractiveness of CSR (Model B3).

Attractiveness of CSR: the stepwise addition of the attractiveness of CSR in the regression model had a strong positive effect on volunteering both on company time (Model B1) and in one’s free time (Model B2), but not on the willingness to forgo earnings in support of CSR (Model B3).

Scenario

An IT company based in Bangalore has trouble finding a new employee to head up its corporate volunteering programme after the previous person responsible for it has left the company. The HR manager, Akriti, is thinking about whether she should suggest to the board that they use the allocated
Impacts

salary instead of giving a bonus to the best employees. This would fit with the firm’s talent management strategy to attract the best university graduates and recognise their hard work. On the other hand, Akriti does not want to compromise on the company’s CSR strategy, which puts a lot of emphasis on giving back to the local community in terms of an elaborate corporate volunteering programme based on the individual skills and values of employees. So, she has the company’s employees come up with a corporate volunteering programme and, as a prize, will offer the successful employee one year of paid leave from their current job at the company to take up the new position of implementing their award-winning programme. Akriti has read that good CSR programmes, such as corporate volunteering, both attract and retain employees. She uses her ideas and the research she has read and prepares a presentation for the board with the headline ‘Attracting and retaining talent – via CSR expenditure or higher earnings?’

Discussion

This chapter has examined the attractiveness of employers’ engagement with and commitment to CSR practices to job-seekers in India. Our analysis reveals that neither the study programme nor CSR-related education have an influence on the attractiveness of CSR-practising employers. Instead, students’ job expectations and their view on the primary goal of a business are of importance, albeit with varying effects on different types of CSR involvement.

First, contrary to our expectations, we found that any self-selection that occurred in students choosing between business and engineering did not affect their potential engagement with and commitment to CSR. This was underscored by the fact that in both groups there was no influence of CSR-related education on perceptions of the attractiveness of CSR, future engagement with CSR in terms of volunteering (Models A1/B1) on company time (Models A2/B2) and volunteering on free time, or on commitment to CSR in terms of willingness to forgo earnings (Models A3/B3). This suggests that students in the same age cohort have similar perceptions of CSR, given the discourse on public policy, and that their choice of career does not influence CSR perceptions. Most end up working for corporations and hence may not be dissimilar in their attributes.

Despite the fact that most of the business students are exposed to and interested in CSR educational content, CSR-related education did not have a significant influence on either the perceived attractiveness of CSR-practising employers or the students’ potential engagement with and commitment to CSR. Perhaps university-based CSR education is not internalised and consequently does not show up in individual decisions. Indeed, the findings of a survey of CSR-related courses across business schools in India by
Srinivasan, Srinivasan, and Anand (2012) showed that the ‘pedagogy itself poses a challenge due to lack of available Indian cases’ (p. 18) due to a lack of faculty training and the limited indigenous course materials.

It is likely that the attractiveness of CSR-involved employers comes not from the students’ exposure to CSR-related courses but from the growing social norm of CSR in the larger, more successful companies in India (Gautam & Singh, 2010), as well as from governmental influence and discourse in the regulatory arena on CSR (Singh & Verma, 2014). Thus, the counterintuitive finding on the influence of CSR-related education can be explained by looking at prevailing CSR social norms among corporations, expectations and changes in public policy regarding CSR and the influence of the media (Dash, 2012). We consider this finding to be of both theoretical and practical importance. The students were quite aware of CSR regardless of their study programme or the extent of exposure to CSR within their course; there may be a deep socialisation process among students regarding the role of corporations in society, that is not restricted to business majors.

We found no differences among students on the business programme or the engineering programme. Ruling out any a priori self-sorting into different programmes, our findings indicate a sorting of students with respect to job expectations. Those individuals with intrinsic job expectations, regarded as being more altruistic, see their employment as a means to ‘making the world a better place through my work’, ‘helping people in need’ and ‘having the opportunity to do something worthwhile for society’. Thus, altruistic students differed from those with more self-interested job expectations; they were more likely to engage in their future employer's CSR efforts even at their own cost, while students with extrinsic job expectations were more likely to participate if volunteering was done at the employer's cost. This brings into focus the importance of developing CSR practices that engage both employees with more extrinsic job expectations and those with more intrinsic ones.

Furthermore, commitment to CSR, in terms of the amount of salary students were willing to forgo, showed a negative and significant correlation only with extrinsic job expectations. This finding is consistent with experimental evidence that a value fit between students and employers has a mediating effect on the attractiveness of CSR (Jones et al., 2014).

Interestingly, we found counterintuitive findings: regardless of whether students believed that profit-making or societal goals were the primary objective of the corporation, they were equally likely to forgo part of their earnings to work for companies with CSR practices they valued. There are different interpretations of these findings. As CSR is currently a strong societal expectation and became mandatory for large, profitable companies, students wishing to be employed by such companies can reconcile making profits with the goal of community benefits through CSR practices.
Impacts

On CSR-related courses, as well as in the popular press and media, students often learn that profitability and CSR go hand in hand and can reinforce one another. Thus, when companies generate profits, the need to ‘compensate’ society with CSR activities is elevated. From another perspective, CSR activities may be strategically chosen to enhance profits (Friedman, 2010), and students who see profit-making as a primary goal may also value CSR as it strengthens profits.

From both perspectives, the trade-off between profitable and socially beneficial employers is seen by students to establish a virtuous cycle, hence their commitment to CSR as employees. Thus, it is not surprising to find a positive correlation between CSR and profit, as it is also an educational effect: where CSR education and the popular media promote the idea that CSR makes good sense and greater profits (Chandler, 2016).

Limitations and research outlook

Like all cross-sectional studies, our study is limited and we cannot comment on the causality of our results. Future research using experimental designs may overcome this limitation. Furthermore, the survey used in this study focused on the behavioural intention of students as future employees. Thus, another limitation of our study is that students’ intended behaviour after graduating may alter if some contextual variables change, such as there being greater demand in the labour market or regulation requiring companies to engage in CSR. To overcome this limitation, future research could use data collected over a period of time to understand the impact of such contextual variables.

Although our comparison of business and engineering students did not show significant differences, it could be useful to look at students in other fields such as nursing, education and public services, where the talent search is also competitive.

Finally, our study is situated in India, thereby adding an international perspective to the literature by including research done in an emerging economy, with recently mandated CSR policies and relatively poor educational opportunities in CSR training. Further research could investigate these questions a few years post-regulation to see if there are any changes among job-seekers’ evaluation of and commitment to CSR.

Further studies should examine similar questions in other developing countries as commenced by Marika, Magutu and Munjuri (2017) in Kenya. This would give insight into how job-seekers in politically unstable environments, or under corrupt regimes, value the reputation of companies practising CSR. These findings would be crucial to multinationals recruiting local talent in such countries.
Our findings show that potential employees are cognisant of the costs they need to bear for employee volunteer programmes; and they find companies attractive only if the costs are borne by the company and not by themselves. In order to get buy-in from employees, it is necessary to examine how CSR programmes are perceived by employees; do employees ascribe costs to themselves or to their employers? As the willingness to volunteer in one’s free time for CSR activities may be affected by demographic variables such as marital status, personal norms and values, self-efficacy and volunteering behaviour, further studies could include these variables, thereby increasing the predictive power of our models.

Companies should question whether employees are willing to shoulder some of the costs of CSR initiatives, especially if these initiatives are linked with CSR outcomes valued by employees. Further research is needed to better understand the interrelations between the attractiveness of CSR, the commitment to CSR, the engagement with CSR activities and the design of CSR activities in different contexts (the particular sector, whether it is a local company or a multinational, etc.), as employee expectations may differ.

**Practical implications**

There are several implications of our findings, which we address by first examining our results on the attractiveness of CSR to students who will soon be in the job market as potential employees. The attractiveness of CSR-practising employers may result from socialisation processes and education. Although we found no influence of education in our study, further studies need to disentangle the nature of CSR education from its influence – for example, the quality and relatedness of the CSR materials to the cultural practices, the training received by teachers in using local materials, and so on. Another unresolved question is whether cultural and social norms regarding the CSR practices of employers are moderated by the influence of CSR education.

Second, our findings are of interest to companies designing CSR practices involving employees. In a study based on 990 Canadian companies (Basil, Runte, Easwaramoorthy, & Barr, 2009), employers were aware that employee volunteer programmes increased their attractiveness and helped ameliorate damaged reputations. However, as our study suggests, companies designing CSR employee volunteering programmes should be aware of how different forms of employee volunteering evoke different reactions. The likelihood of participation depends on whether volunteering is done on company time versus in employees’ own free time. For (future) employees, volunteering on company time carries a cost for the company, whereas volunteering in one’s own free time costs the employee his/her time.
Impacts

Their interpretation of the different forms of employee volunteering may be that employers are paying ‘lip service’ to the concept of employee volunteering as CSR in general, assuming that in practice the costs are borne by the employee (Basil et al., 2009).

Third, with respect to commitment to CSR in terms of willingness to forgo earnings, our results suggest that companies should be aware of the potential effects of recruiting graduates with extrinsic job expectations. Both business and engineering students, who have extrinsic job expectations, were less willing to give up a small percentage of their wages to work for a company practising CSR they valued. Students with extrinsic job expectations, which are related to a more materialistic outlook on life, are less likely to make sacrifices in the name of CSR. This finding is in line with that of Handy and Katz (1998), who propose that offering lower wages may serve as a sorting mechanism to attract employees who are not solely concerned with achieving personal goals.

In the case of India where there is rampant corruption (Sharma, 2018), companies with a good CSR record may be perceived by job-seekers to be less corrupt and exploitative of employees (Rodriguez, Siegel, Hillman, & Eden, 2006). Thus, the willingness to forgo income to work for an employer with valued CSR practices may also reflect a choice of working for an employer that is not corrupt.

Conclusion

Our study contributes to the literature examining the attractiveness of CSR to job applicants in two different ways. First, we examined not only the determinants of CSR attractiveness to potential job applicants, but also the interrelation between CSR attractiveness and three probable types of engagement with and commitment to the CSR of potential employees. These results extend our knowledge of the antecedents and consequences of the attractiveness of CSR and its impact on potential employees’ engagement with companies’ CSR activities.

Second, while previous research has focused mainly on business students, this study extends the scope of the findings to include engineering students. We did this to understand the potential differences between students on different programmes in their responses to potential employers’ CSR efforts.
Questions for students

1. What main factors are found in this research to be related to the attractiveness of CSR?
2. What other factors do you think may be related to the attractiveness of CSR?
3. Do you believe that CSR practices make a company more profitable? Why or why not?
4. What implications could be drawn from this study for the design of CSR programmes?
5. What are the important factors to consider in designing effective programmes in different contexts (e.g., types of employees, industries, countries)?
6. Should employees be obliged to participate in corporate volunteering programmes as part of a firm’s CSR policy?
7. Would it make a difference if the corporate volunteering takes place within or outside of paid working hours?

References


Impacts


Friedman, M. (2010). The social responsibility of business is to increase its profits. In P. Griseri & N. Seppala (Eds.), Corporate ethics and corporate governance (pp. 173–178). Berlin: Springer.


The case of India


