



# Blue Ocean Social Responsibility Strategy: Creating Competitive Advantage Through Human Resource Policies

Durdana Ovais

**Abstract** – Within the corporate world in Asia a tremendous amount of organisational energy is focusing on fulfilling the “social responsibility”. With everyone doing their part of the bit how can organisations create a differentiation for themselves with an impact that will enhance their business is a big question. What is required is strategizing CSR activities and programs in such a way that it gives a competitive edge to the organisation. That is formulating social responsibility strategy to create a blue ocean. And one crucial aspect of this strategy as propounded by the research paper is through HR policies. The research aims at developing a deeper understanding of the role of human resource policies in corporate social responsibility activities in the industrial sector in Bhopal; M.P (India). The study researches the relationship between human resource policies of an organisation, its CSR activities and HR behavioral outcome. Being an exploratory descriptive survey research, it explores the role of HR policies in CSR in the selected five manufacturing organisations and describes the current role being played by the HR department. The research had used the concept of Blue ocean strategy in creating balance between mandatory social responsibility and the business case. The research had significant implications for the organisations to target different CSR stakeholders through HR policies.

**Key words** - Human Resource Policies, Competitive advantage, Corporate Social Responsibility, HR outcome variable, Stakeholders.

## I. INTRODUCTION

Though a lot have been studied regarding CSR and its impact on the financial aspects of the organisation, there remains a critical area which has somehow missed the attention of the researchers and the organisations. That is the potential benefits which can be derived from CSR activities when it is aligned with the HR policies of the organisation. It would require the HR department to lead from the forefront as the employees are not only a set of critical internal stakeholders they are also a part of the society. Every business wants maximum utilization of its resources and HR policies help an organisation to utilize its internal as well as external human resources optimally. An effective HR policy lay down a strategy for developing, communicating and enforcing a set of practices that reflect organisational philosophy thereby enabling the organisation to achieve its objective.

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On the other hand it had been found in many researcher that the Corporate social responsibility activities undertaken by the organisations have an impact on the behavioral outcome and has also proved to instill a sense on belongingness and commitment towards the organisation [1]. It was found in the study by O'Reilly & Chatman, that organisations who engage in CSR activities have receive a more favorable opinion from their employees as compared to those who do not undertake such activities[2]. But in spite of all these researches and finding it has been commonly agreed by researchers that the studies that are conducted had been done at the organisational level and not at individual level targeting the opinions of the crucial internal stakeholder [3] [4]. The previous researches fall short on analyzing how this crucial stakeholder can affect the other stakeholders in achieving the CSR objective of the organisation. And most importantly it had been observed that the impact that CSR activities can have on the behavioral outcome of the employees and thereby the resultant effect on their level of performance has been the blind spot amongst the researchers by at large [5] [6]. There is also dearth of information as well as studies on the ripple effects of the impact on other stakeholders. The study reference number [7] also stressed that although the impact of CSR activities have been analysed from different angles it's the role of human resource department which is yet to capture the attention. Moreover the relationship between HRM department and the CSR activities and the mediating links have been largely unexplored. According to kotler and lee [8] the relationship between HRM and performance in itself had been a black box issue for the researchers .

On the other hand it is not unreasonable to expect that it would as any perception formed by the employees would affect their mental state influencing their attitudes towards work and their attitude in turn would impact their job performance. A research study by Robbins and Judge [9] had put forward the idea that its generally seen that employees of an organisation or rather say people in the general sense react in lieu of the perceived ideas about the truth and not the reality as such it is appropriate to consider perception as a important determinant of employees behavioral outcome and there by their performance. If this is considered as a significant determinant that the CSR activities adopted by the organisations also impact the perception of the employees and in turn affects their output. The study by Aguinis and Glavas also states the need for researchers to study the underlying mechanism by which the perception of CSR activities can be harnessed to ensure individual and organisational performance [5]. These views have been backed by other research study [10] [11].



Moreover much of the CSR research have been done in the west whereas the eastern countries have received very less attention. This goes for the Indian organisation too where studies are mostly centered around self reported questionnaires on CSR, nature and characteristics of CSR and CSR policies of multi-nationals without any linkages with HR policies of the organization. Many studies have mainly relied on secondary data using content analysis. Amongst the studies mostly are have related CSR activities with financial aspects of the organisation whereas the intangible assets have or rather say non financial parameters have not been studied. Certain studies have examined the CSR and its effect on employees and performance using primary data, but the scope of the study has been limited. Moreover very few studies have undertaken CSR study of organisations taking into consideration the CSR Clause 135.

## II. LITERATURE REVIEW

The field of CSR is not only crucial but also critical as in the recent times there is growing importance being given to it in the arena of strategic management and sustainability which have been confirmed by many researchers like [12] – [19] also support this view. Also many authors have considered CSR expenditure as rather investment for the organizational sustainability and survival which is going to directly and indirectly impact its performance as has been found in the studies of [16] [20] - [22].

According to the reference study [23] the benefits of the CSR activities can be reaped better if they are tailored according the specific organisation , industry or region. Which requires the integration of the CSR policies with the organisational policies. The study of Matten and Moon[24] also indicated that the organisations have started to realise the potential of these CSR activities and are now inculcating these activities in the organisational culture as a way to not only combat competition but also to gain an edge over competitors[24]. The research study [25], conducted in 2001 had presented that the relationship of the organisation with its internal as well as external stakeholders as such the CSR activities can be considered as an essential element to build on.

The research numbered [14] had put forward the idea to align the CSR activities of the organisation with the core organisational strategy. In this way the CSR activities will be guided by the core strategy. When it is aligned this way, CSR activities does not simply becomes the cost to the organisation rather they act as long term investments of the organisation. As per reference [26] the organisational CSR activities can be developed and integrated into the organisational strategy to reap its short term as well as long term benefits. Another study concluded that organisations can gain from CSR activities and have shown it helps in increasing the organisational reputation and thereby increasing positive association amongst its stakeholders which is also seen to attract better employees [27]. Reference study [28] had also seconded this view in research where it was concluded that **competitive advantage** through CSR can only be achieved when its molded according to the organisational philosophy and the competitive environment.

A lot of studies have also concluded that CSR activities not only impact the current employees but also prospective employees. That is the organisation with CSR practices

attract quality employees which can prove to be an added advantage and also the source of competitive advantage [29]-[31]. The research study [32] also reaffirmed this by stating that CSR activities influence the competitive positioning of the organisation by increasing the attractiveness for better quality of employees

## . III. RESEARCH METHODOLOGY

### A. Research Objective

**Table 1 Research Objective**

S. No	Description
<b>Research Objective 1</b>	To study what type of role does HRP <b>presently plays</b> in CSR
<b>Research Objective 2</b>	To understand how HR policies <b>affects</b> CSR.
<b>Research Objective 3</b>	To analyze how should organizations <b>integrate</b> HR leadership in CSR activities.
<b>Research Objective 4</b>	To study how HR policies <b>can be utilized</b> to effectively perform CSR activities.

### B. Research Hypothesis

**Table 2 Research Hypothesis**

HYPOTHESIS	
<b>H1</b>	<b>Human Resource Policies have significant affect on CSR.</b>
<b>H1a</b>	Recruitment and Selection Policies have significant affect on CSR.
<b>H1b</b>	Training, Development & Education Policies have significant affect on CSR.
<b>H1c</b>	Involvement Policies have significant affect CSR.
<b>H1d</b>	Compensation and Reward Policies have significant affect CSR.
<b>H2</b>	<b>HR Policies have significant effect on effective performance of CSR activities through the mediation of HR outcome variables.</b>
<b>H2a</b>	Organisational Commitment significantly and positively impacts the relationship between HRP and CSR.
<b>H2b</b>	Employee Engagement significantly and positively impacts the relationship between HRP and CSR.
<b>H2c</b>	Turnover Intention significantly and positively impact the relationship between HRP and CSR.
<b>H3</b>	<b>HR Policies are helpful in achieving CSR objective.</b>
<b>H3a</b>	HR Policies have significant effect on CSR objective towards Society.
<b>H3b</b>	HR Policies have significant effect on CSR objective towards Customers.
<b>H3c</b>	HR Policies have significant effect on CSR objective towards Shareholders.
<b>H3d</b>	HR Policies have significant effect on CSR objective towards Employees.

### C. Constructs And Measurement

The Constructs were taken from established scale. The Human resource policies scale which included Recruitment and Selection , Training, Development & Education , Involvement , Compensation and Rewards was adopted from HRMPPS - Human Resource Management Policies and Practices Scale that was developed and authenticated from study reference numbered [33] in Brazil. Organisational Commitment scale was adopted from research study[34] . Employee Engagement scale was taken from [35] and Turnover Intention from study reference number [36].

While CSR scale was adopted from [37] [38] which include questions related to Society, Customers, Shareholders, Employees.

**IV. DATA ANALYSIS**

**A. Preliminary Analysis**

The four assumptions of the regression analysis were analysed in the preliminary analysis which include normality, linearity, multicollinearity and homoscedasticity. According to the reference number [39] it is not necessary for the research study to meet these criteria but when not used the results of the study can't be generalised as that of being the population too.

**B. Reliability Analysis**

Established scale were used to collect the data which was put reliability and validity test. The parameters for the same were adopted as per the guidelines given by [40] that is values higher than 0.70 were considered for further analysis. SPSS software was used to compute Cronbach alpha. Cronbach's alpha values were calculated for all the 47 items as a whole as well as for all three constructs and eleven sub constructs in order to determine reliabilities. The tables below show the Cronbach alpha of the measures. The results show that the questionnaire was reliable for further analysis.

**3 Reliability Statistics**

Reliability Statistics	
Cronbach's Alpha	N of Items
.904	47

**Table 4 Reliability Statistics of Constructs**

First Order Construct	Items	Cronbach's coefficient ALPHA	Second Order Construct	Items	ALPHA
1 Recruitment and Selection	6	.783	HR POLICIES	20	.868
2 Training, Development & Education	4	.800			
3 Involvement	6	.828			
4 Compensation and Rewards	4	.745			
5 Society	3	.782	CSR ACTIVITIES	15	.882
6 Customers	3	.792			
7 Shareholders	3	.818			
8 Employees	6	.834			
9 Organizational Commitment	4	.746	HR OUTCOME ASPECT	12	.735
10 Employee Engagement	5	.910			
11 Turnover Intention	3	.774			
<b>TOTAL</b>				<b>47</b>	

The table above depicts the reliability scores for various constructs and sub constructs of the study. The overall alpha score of 0.904 was received. As the scores for all constructs and the sub constructs falls under the set constraint data was considered reliable for further analysis purposes. The sub construct of natural environment did not fell in the criteria as such it was removed.

**C. Kaiser Mayer & Olkin Test of Sampling Adequacy**

**Table KMO 5 and Bartlett's Test for all three**

Constructs	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.836
Bartlett's Test of Sphericity	Approx. Chi-Square 13074.959
	Df 1081
	Sig. .000

The KMO statistic for all the variables observed is 0.836. The significance value so observed is also less than 0.005, it suggested that the sample chosen and the set of variables are conceptually valid and appropriate to

study with factor analysis. It also indicated that our sample size was adequate is considered to be 'good' and adequate and one can of the data which can be further put to factor analysis.

**D. Correlation Analysis**

**Correlation Analysis between the three Constructs of the study**

**Table 6 Correlation Analysis between HRP, CSR and HO**

	TOTAL_CSR	TOTAL_HRP	TOTAL_HO
TOTAL_CSR	1		
TOTAL_HRP	.681**	1	
Total_HO	.392**	.214**	1



**Inference:-** The above table reveals inter-correlations among the three constructs. There is a positive and significant correlation between all three of them. From the calculated Spearman's statistics it can be summarized

that as p-value  $0.000 < 0.05$  there is significant relationship between Human Resource Policies, perceived CSR activities and HR Outcome variables.

**Correlation analyses between all Sub Constructs  
Table 7 Correlation between all Sub Constructs**

	TOTAL_RS	TOTAL_TDE	TOTAL_INV	TOTAL_CR	TOTAL_SO	TOTAL_CUS	TOTAL_SHA	TOTAL_EM	TOTAL_OC	TOTAL_EE	TOTAL_TI
TOTAL_RS	1										
TOTAL_TDE	.318**	1									
TOTAL_INV	.433**	.284**	1								
TOTAL_CR	.317**	.416**	.439**	1							
TOTAL_SO	.391**	-.050	.568**	.137**	1						
TOTAL_CUS	.285**	.111*	.455**	.257**	.450**	1					
TOTAL_SHA	.404**	.205**	.477**	.226**	.354**	.458**	1				
TOTAL_EM	.394**	.465**	.644**	.497**	.481**	.449**	.398**	1			
TOTAL_OC	.057	.040	.107*	-.102*	.125**	.197**	.180**	.198**	1		
TOTAL_EE	.315**	.146**	.436**	.233**	.385**	.521**	.361**	.366**	.246**	1	
TOTAL_TI	-.081	.008	-.020	-.031	-.014	.008	-.148**	-.010	.038	-.060	1

**E. Regression Analysis**

Regression analysis is concerned with developing an “approximating” model. According to reference study [41] regression analysis states the clearly indicates the cause and effect relationship between the variables.

**For hypothesis 1**

**Table 8 Regression Analysis Summary**

	CSR Regressed on			
	H1a	H1b	H1c	H1d
	RS	TDE	INV	CR
<b>R</b>	.488 <sup>a</sup>	.300 <sup>a</sup>	.722 <sup>a</sup>	.410 <sup>a</sup>
<b>R Square</b>	.238	.090	.521	.168
<b>Adjusted R Square</b>	.236	.088	.520	.166
<b>Std. Error of the Estimate</b>	5.56216	6.07848	4.41004	5.81098
<b>F</b>	140.086	44.260	488.089	90.718
<b>Sig.</b>	.000 <sup>a</sup>	.000 <sup>a</sup>	.000 <sup>a</sup>	.000 <sup>a</sup>

For hypothesis H1 Linear Regression Analysis was applied to analyse the relationship and the strength of relationship between perception towards HR Policies sub constructs and the CSR. The F-test showed that there exists a significant relationship between the HRP sub constructs and CSR construct as a whole. The hypothesis that Training, Development and Education Policies have significant affect on CSR activities was significant as P-value derived from F-test was less than 0.05. Thus, indicating that Training, Development and Education Policies significantly affect the employee's perception of organisational CSR activities. It was found that involvement policies were having the highest impact on the perception of organisational CSR and Training Development & Education Policies are having the least impact on CSR Perception.

**For hypothesis 2**

**Table 9 Regression Analysis Summary**

	CSR Regressed on			
	H2	H2a	H2b	H2c
	HRP & HR Outcome variable	HRP sub Constructs & Organisational commitment	HRP sub Constructs & Employee Engagement	HRP sub Constructs & Turnover Intention
<b>R</b>	.214 <sup>a</sup>	.771 <sup>a</sup>	.779 <sup>a</sup>	.752 <sup>a</sup>
<b>R Square</b>	.046	.594	.606	.566
<b>Adjusted R Square</b>	.044	.589	.602	.561
<b>Std. Error of the Estimate</b>	5.62501	4.07921	4.0154	4.21751
<b>F</b>	21.608	130.049	137.096	115.919
<b>Sig.</b>	.000 <sup>a</sup>	.000 <sup>a</sup>	.000 <sup>a</sup>	.000 <sup>a</sup>

Correlation analysis of the three constructs showed positive correlation among all the three constructs. The hypothesis analysed the mediating effect of HR outcome variables on the performance of CSR activities. To check whether mediation can be undertaken, Sobel's test was conducted. It comprised of three sets of regression. Which required first to regress CSR on HRP, secondly HR Outcome construct was regressed on HRP construct. And finally CSR was regressed on HR Outcome construct. These steps were in line as suggested by Baron & Kenny [42]. The coefficients of the regression results were put in the online calculator and result analysed. The P value came significant indicating that mediation analysis can be undertaken. When CSR was regressed on HRP and HR Outcome through linear regression method, where HRP was the independent variable and HR Outcome was the mediator variable the p-value derived from F test was significant, thereby accepting the hypothesis that HR policies affect HR outcome which in turn affect the dependent variable CSR.

This hypothesis tried to probe the idea that how far can employees behavioral outcome act as a mediating mechanism between the relationship of HRP and CSR. The highest impact was found of employee engagement variable and the least impact was found of Turnover intention variable.

**For hypothesis 3**

**Table 10 Regression Analysis Summary**

	CSR Regressed on				
	H3	H3a	H3b	H3c	H3d
	HRP ( Sub Constructs)	Society	Customers	Shareholders	Employees
R	.752	.650	.472 <sup>a</sup>	.526 <sup>a</sup>	.725
R Square	.565	.432	.223	.276	.525
Adjusted R Square	.561	.418	.216	.270	.521
Std. Error of the Estimate	4.21473	1.29034	1.50860	1.59519	2.11356
F	144.987	81.720	31.977	42.565	123.478
Sig.	.000 <sup>a</sup>	.000 <sup>a</sup>	.000 <sup>a</sup>	.000 <sup>a</sup>	.000 <sup>a</sup>

For hypothesis H3 Linear Regression Analysis was applied to analyze the relationship and the strength of relationship between perception towards HR Policies and the CSR. The F-test showed that there exists a significant relationship between the HRP sub constructs and CSR construct as a whole. However a deeper analysis of coefficients showed that Involvement policies were having the highest impact in the equation whereas training, development and education policies were having insignificant effect. The sub hypothesis

analysed the effect of HRP on individual CSR sub constructs to have a better understanding of which HR Policies affect the most when individual stakeholder is concerned.

It was found that INV policies are having the largest and significant impact on Society sub construct. Whereas it was observed that negative significant relationship was found on Training, development and education policies and Compensation and Reward policies of the organisation. Thus indicating an inverse relationship is there between the variables under Society sub construct.

It was found that Involvement policies are having the largest positive and significant impact on Customers. Whereas it was observed that negative and insignificant relationship was found of Training, development and education policies and Compensation and Reward policies of the organisation on the customers sub construct.

It was found that Involvement policies are having the highest significant impact on Shareholders sub construct. Whereas it was observed that no statistical dependence of Training, Development & Education policies & Compensation and reward policies of the organisation was there on Shareholder sub construct.

It was found that Involvement policies are having the largest positive and significant impact on Employees sub construct. Whereas it was observed that no statistical dependence of RS policies was found on Employees sub construct of CSR.

**V. RESULT**

**Table 11 Results of Hypothesis tested**

	HYPOTHESIS	TEST	P-value	DECISION
<b>H1</b>	<b>Human Resource Policies have significant affect on CSR</b>	F-test	0.000	<b>Accepted</b>
<b>H1a</b>	Recruitment and Selection Policies have significant affect on CSR.	F-test	0.000	<b>Accepted</b>
<b>H1b</b>	Training, Development and Education Policies have significant affect on CSR.	F-test	0.000	<b>Accepted</b>
<b>H1c</b>	Involvement Policies have significant affect on CSR.	F-test	0.000	<b>Accepted</b>
<b>H1d</b>	Compensation and Reward Policies have significant affect CSR activities	F-test	0.000	<b>Accepted</b>
<b>H2</b>	<b>HR Policies have significant effect on effective performance of CSR through the mediation of HR outcome variables.</b>	F-test	0.000	<b>Accepted</b>
<b>H2a</b>	Organisational Commitment significantly and positively impacts the relationship between HRP and CSR.	F-test	0.000	<b>Accepted</b>
<b>H2b</b>	Employee Engagement significantly and positively impacts the relationship between HRP and CSR.	F-test	0.000	<b>Accepted</b>
<b>H2c</b>	Turnover Intention significantly and positively impact the relationship between HRP and CSR	F-test	0.000	<b>Accepted</b>
<b>H3</b>	<b>HR Policies are helpful in achieving CSR objective</b>	F-test	0.000	<b>Accepted</b>
<b>H3a</b>	HR Policies have significant effect on CSR objective towards Society.	F-test	0.000	<b>Accepted</b>
<b>H3b</b>	HR Policies have significant effect on CSR objective towards Shareholders.	F-test	0.000	<b>Accepted</b>
<b>H3c</b>	HR Policies have significant effect on CSR objective towards Customers.	F-test	0.000	<b>Accepted</b>
<b>H3d</b>	HR Policies have significant effect on CSR objective towards Employees.	F-test	0.000	<b>Accepted</b>

**VI. SIGNIFICANCE OF THE STUDY**

- The research study enhances **understanding about the micro-foundations of CSR**. As the research describes the links between HR policy and the CSR vision of the organization it will enable to better align the firm level activities to the CSR of the organisation.
- The study enables to understand **how CSR can be integrated into actual managerial practices and performances**. As it analysed the affect and effect of Human resource policies on CSR activities of the organisations under the study, which have been quoted as the area of challenge by many authors [43][44] [5].

The study will enable the managers to better establish the links between human resource policies and the CSR activities of the organization and its effect on the achievement of CSR objective.

- The study helps to analyse the **effect of Corporate Social Responsibility activities on the intangible assets of the organisation**. As these employees are the significant internal stakeholders whose performance not only impact the other stakeholders, but also the organisational performance and sustainability.

This study explores what the previous researches had tended to neglect that is the how the HR policies affect and effect CSR activities of organizations.

- The study explores the **HRP and CSR relationship in Indian Scenario**. The researches that have been undertaken relate to that of the western countries but **country** like India was not the focus of these empirical and conceptual researches.

- The study helps to describe the **HRP and CSR** relationship in the industrial sector in a **Bhopal M.P** (India) and will open further research avenues for future researchers. Those studies that are undertaken in India have not focused on the manufacturing sector in **state like M.P**.

## VII. SUGGESTIONS

1. **It is suggested that HR policies should be utilised to ensure better CSR rating.** As the results of the study has also proved that the perception of Human Resource Policies are significant determinant of the perception towards CSR activities of the organisation. The better the perception of employees towards HR policies the better will be the CSR perception of the organisational activities.

2. **CSR activities could be effectively used to harness HR outcome variables or behavioral variables.** When organisations adopt employee focused CSR policies, they are actually indicating their employees that they care for them. Through such positive feedback, employees develop a greater sense of organization-based self esteem as propounded by the social identity theory. As such those HR led CSR policies should be adopted that enhance employee engagement and organisational commitment and reduces their turnover intention. This behavioural outcome becomes the basis for achieving operational efficiencies and long term advantaged for the organisations.

3. It is propounded that amongst the stakeholders, HR policies impact the internal stakeholder that is the employees the most. And amongst these policies Involvement Policies and Training, Education and Development policies were having the most impact on the perception of CSR towards them though other two policies were also having significant impact. As such if the organisations aim at this stakeholder, focus should be firstly on Involvement Policies then on Training, Development and Education policies thirdly Compensation and Reward Policies and lastly Recruitment and Selection.

4. It was found that amongst the other stakeholders of the organisation, the perception of HR Policies least affected the perception of CSR towards Customer. It was seen that only Involvement Policies and Recruitment and Selection Policies having significant impact on the perception towards customers. As such if the organisation aims at gaining a favourable view regarding Customers based CSR activities of the organisation the efforts should be directed towards these two types of policies.

5. **It has been observed that there is a lack of strategic fit between the organisational Vision and its CSR vision / CSR Policy.** The list of permissible activities given by the government in CSR clause 135 is a suggestive

list which gives guidelines to the organisation and does not limits the activities to those only.

6. From the industry analysis undertaken it was found that the contribution of manufacturing sector in the GDP of India is low as compared to primary and tertiary sector. Even the growth rate till 2017 was lower than the two sectors. The government had offered numerous policy incentives given under the industrial policy of the state. The organisations can utilise these benefits by focusing its attention on key internal stakeholder that is the employees through CSR Clause 135. This can be done **through effective HR policies for creating a long term advantage for the organisation through its CSR activities.** Moreover with the present governments focus on Make In India and the facilities given to new entrant the competition is bound to increase. As such the reputational capital will enable the already established organisation to take an edge over the new organisations.

## IX. CONCLUSION

The results showed that perception of HR policies are positively correlated with perception of CSR activities of the organisation. Also it was found that all the four types of HR Policies are having significant affect on the perception CSR activities of the organisation.

With perception towards Involvement policies are having the highest impact and the perception towards Training, Development & Education having the least impact on the perception towards CSR activities of the organisation. The tests also revealed that all three selected HR Outcome sub constructs are having significant effect on the perception of CSR.

With perception towards Employee Engagement having the highest impact and the perception towards Turnover Intention having the least impact as mediators on the perception towards CSR activities of the organisation. Moreover when the third hypothesis and sub Hypothesis was tested to identify the impact of HR Policies on individual stakeholders, it was found that perception of HR policies is having the highest impact and the perception towards Employees and having the least impact on the perception towards Customers of the organisation.

From the results of the study it is concluded that Human Resource Policies of the organisation plays an important role in the perception of how much an organisation is socially responsible towards its various stakeholders. That is HR policies do affect the CSR activities of the organisation. And amongst the selected four types of HR policies the research concludes that involvement policies have the highest affect on CSR and Training, Development & Education policies have the least affect.

The study also concludes that HR policies have significant effect on the effective performance of CSR activities of the organisation through the mediation of HR outcome variables amongst which employee engagement was the highest impacting mediator between HR Policies and CSR activities of the organisation.

From the data analysis it is also concluded that HR policies are helpful in achieving CSR objective of the organisation and amongst the various stakeholders the perception towards HR Policies affects the internal stakeholder the most that is employee. As per the findings of the study these Hr policies will help an organisation to create a corporate social responsibility strategy, focusing on different stakeholder through the HR policies of the organsiation.

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