EPITOME OF SUCCESS IN
TALENT RETENTION CORPORATE SOCIAL RESPONSIBILITY

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ABSTRACT

Millennials are very concerned about the activities organization does. Corporate social responsibilities activities showcase the world what an organization is really. Every organization faces many struggles to retain its topmost talented employees. One of the best ways to retain talented employees is by showing that their company does care about the environment, economy, and so on. This study reveals the truth about corporate social responsibility role in talent retention. This study aims to analyze the relationship between corporate social responsibility & talent retention, the association between corporate social responsibility & gender, the impact of corporate social responsibility activities on talent retention, and the reason employer adopt corporate social responsibilities in their organization. The data of the study consisted of 182 HR Managers from different IT/ITeS sector of Chennai, Tamil Nadu, India. The study used a structured questionnaire and employed a descriptive analysis to analyze demographic data. The research hypothesis was tested using the Chi-square test, Correlation, Multiple Regression, and Weighted Mean Average in statistical tools. The findings revealed that there is an association & strong relationship between corporate social responsibility and talent retention, some of the CSR activities like reducing carbon footprints, volunteering in the community have a strong impact on talent retention. The main reason employer adopts corporate social responsibility is to retain the topmost talented employees.

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Keywords: *Internship, Multiple Regression, Talent Acquisition, Weighted Mean Average.*

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Introduction

Corporate social responsibility (CSR) is one of the best concepts to show the general public that the organization does have a responsibility for their customers. CSR is a concept dependent on the prospects that corporations should be answerable for all of their stakeholder amenable for the complex of their partners who committed with the business forms to benefit the general public (Lee et al., 2017). Nowadays, millennials are more concerned about a company before they buy a product. These initiatives by a corporation assess and take the responsibility of an organization's effects on social wellbeing and environmental wellbeing (Strandberg, 2009). This has a lasting commitment by organizations to act ethically and devote to the economic advancement while bettering the quality of life of the labor pool and their household as well as that of the resident community and association at large (Mozes et al, 2011). Providing corporate social responsibility means "Good Company, Good People and Good environment". No one ready to work with an organization which pollutes the environment around them brings the workforce in complicated working conditions. So the company must endure that they devote to the improvement and not the detriment. The upcoming generation of employees is hunting out employers who are focused on the triple underlying line includes the planet, people, and revenue (Mark, 2019). Millennials want a balance of community involvement and balanced of work-life. Providing basic community involvement helps top talented employees to stay longer in an organization.

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Review of Literature

Chang and Tan (2010) state that an employer can provide corporate social responsibility to retain top talented employees in an organization.

Harry et al., (2012) enumerated the association between corporate social responsibility and talent retention. It has been clearly stated that corporate social responsibility has a strong association with talent retention. Providing good corporate social responsibility activities helps the talent to stay longer in an organization.

Fabrizio Russo (2016) examined the relationship between corporate social responsibility and talent retention. From the analysis, it was revealed that corporate social responsibility has a strong relationship with talent retention. Increases in corporate social responsibility activities increase the retention rate.

Andan et al., (2013) revealed that reducing carbon footprints and improving labor policies helps in retaining talented employees.

Sabelle and Ferrell (2004) explained the impact of corporate social responsibility activities on talent retention. There are many activities employers can adopt. Some of the important activities are participating in fairtrade and charitable giving. This two help an employee to have a positive impact on an organization.

Rute and Fatima (2005) stated that employers adopt corporate social responsibility activities to retain talent, attract talent, boost employee engagement, and varied sources of revenue.

Eng Tuck Cheah (2007) found out that employer adopts corporate social responsibility activities to have a better public image, provides better media coverage, bring back many volunteer participation, and attain & retain investors.

Research Methodology

- **Research Design**

The descriptive research design was adopted in this study with particular reference to Chennai. The sample size was 182. Systematic Random Sampling technique was used to gather data with a structured questionnaire. The secondary data was collected from the previously published records, journals, articles, websites, thesis, e-books, books, etc. The questions were framed in 5 points Likert scale method. (*5 - Strongly Agree, 4 – Agree, 3 – Partially Agree, 2 – Disagree, 1 – Strongly Disagree*).

Objectives of the Study

- To analyze the relationship between corporate social responsibility and talent retention.
- To study the association between corporate social responsibility and gender.
- To find out the impact of corporate social responsibility activities on talent retention.
- To identify the reason employers adopt corporate social responsibility.

Statistical Tools

The research objectives were framed with perfect statistical tools to evaluate the prompt results.

S.No.	Description of Objectives	Statistical Tools for Analysis
1	The relationship between corporate social responsibility and talent retention.	Correlation
2	The association between corporate social responsibility and gender	Chi-Square test
3	The impact of corporate social responsibility activities on talent retention	Multiple Regression
4	The reason employer adopt corporate social responsibility	Weighted Average Rank

Data Analysis

Ñ **The Relationship Between Corporate Social Responsibility And Talent Retention**

Table 1

		Talent Retention	Corporate Social Responsibility
Talent Retention	Pearson Correlation	1	.961(**)
	Sig. (2-tailed)		.000
	N	182	182
Corporate Social Responsibility	Pearson Correlation	.961(**)	1
	Sig. (2-tailed)	.000	
	N	182	182

** Correlation is significant at the 0.01 level (2-tailed).

From the above table 1, it is clearly understood that correlation of talent retention with itself (r=1), and the number of non-missing observations for talent retention (n=182). Correlation of talent retention and corporate social responsibility (r= 0.961), based on n=182. The significant value is 0.000 which is <0.005 and this shows that talent retention and corporate social responsibility have a statistically linear relationship (P<.001). The direction of the relationship is positive (i.e., talent retention and corporate social responsibility are positively correlated), meaning that these variables tend to increase together (i.e., the greater the corporate social responsibility greater the talent retention). So there is a strong relationship between corporate social responsibility and talent retention.

Ñ   **The association between corporate social responsibility and gender**

Table 2: Summary

	Summary					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Corporate Social Responsibility * Gender	180	98.0%	2	2.0%	182	100.0%

Table 2, Summary explains the number of valid cases used for analysis. Only cases with non-missing values for both corporate social responsibility and gender can be used in the test.

Table 3: Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.181 (a)	2	.207
Lilelihood Ratio	3.227	2	.202
Linear-by-Linear Association	1.108	1	.295
N of Valid Cases	182		

Table 2, explains the value of the chi-square test. The value of the test statistic is 4.181. The explanation for this statistic refers to the expected cell count presumption (i.e., expected cell counts are all greater than 5): no cells had a predicted count of less than 5, so this presumption was met. On account of the test, the statistic is based on a 3x2 cross-tabulation table, the degrees of freedom (df) for the test statistic is

$$df=(R-1)*(C-1)=(3-1)*(2-1)=2*1=2 df=(R-1)*(C-1)=(3-1)*(2-1)=2*1=2$$

The p-value of the test statistic is p = 0.207. Since the p-value is greater than our chosen significance level (= 0.05), we do not reject the null hypothesis. Rather, it is concluded that there is not enough evidence to suggest an association between gender and corporate social responsibility.

Ñ   **Impact of Corporate social responsibility activities on talent retention**

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.944(a)	.745	.656	.247

• **Predictors:** (Constant), Reducing carbon footprints, Improving labor policies, Participating in fair-trade, Charitable giving, Volunteering in the community, Socially & Environmentally conscious investments.

From the above table 4, Model Summary can be a multiple correlation coefficient. R can be considered to be one measure of the quality of the prediction of the dependent variable (Talent Retention). A value of 0.944, indicates a good level of prediction. The "R Square" column represents the R^2 value, which is the proportion of variance in the dependent variable (Talent Retention) that can be explained by the independent variable (Activities of Corporate Social Responsibility). R^2 value is 0.745 that our independent variables explain 74.5% of the variability of the dependent variable (Talent Retention).

Table 5: ANOVA(b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	42.624	8	69.078	74.841	.000(a)
	Residual	12.351	174	.061		
	Total	54.975	182			

- **Predictors:** (Constant), Reducing carbon footprints, Improving labor policies, Participating in fair-trade, Charitable giving, Volunteering in the community, Socially & Environmentally conscious investments
- **Dependent Variable:** Talent Retention

The above table 5, shows that the independent variables statistically significantly predict the dependent variable, $F(8, 174) = 69.078$, $p < .0005$ (i.e., the regression model is a good fit for the data).

Table 6: Coefficients(a)

	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	3.277	.424		-7.724	.000	-4.112	-2.442
	Reducing carbon footprints	.152	.038	.146	4.023	.000	.078	.227
	Improving labor policies	.685	.107	.610	6.425	.000	.475	.895
	Participating in fair-trade	.023	.022	.038	1.037	.000	-.020	.066
	Charitable giving	.133	.112	.118	1.189	.002	-.087	.353
	Volunteering in the community	.447	.120	.370	3.715	.000	.684	.210
	Socially & Environmentally conscious investments	.407	.067	.277	6.092	.000	.276	.539

- **Dependent Variable:** Talent Retention

The above table 6, explains unstandardized coefficients indicate how much the dependent variable (Talent Retention) varies with an independent variable (Activities of Corporate Social Responsibility) when all other independent variables (Reducing carbon footprints, Improving labor policies, Participating in fair-trade, Charitable giving, Volunteering in the community, Socially & Environmentally conscious investments) are held constant.

The p-value of Training & Development and Employee Well-being is 0.301 & 0.235. P-value is

> 0.05 and hence reject the null hypothesis.

Multiple Regression equation is:

Talent Retention = 3.277+ (0.152 * Reducing Carbon Footprints) + (0.685 * Improving Labour Policies) + (0.023 * Participating in fair-trade) + (0.133 * Chartiable giving) + (0.447 * Volunteering in the community) + (0.407 * Socially & Environmentally Conscious investments).

Reducing carbon footprints, Improving labor policies, Participating in fair-trade, Charitable giving, Volunteering in the community, Socially & Environmentally conscious investments significant value is <0.05. Hence the accept the alternative hypothesis and it's clear that Reducing carbon footprints, Improving labor policies, Participating in fair-trade, Charitable giving, Volunteering in the community, Socially & Environmentally conscious investments influence Talent Retention. From the above table 6, the Beta value indicates the order of importance of the independent variables. The variable with the highest Beta value is the relatively most important independent variable. On scrutinizing the independent variables in the model, it was found that improving labor policies made the biggest contribution with the value of 0.610. It was followed by the volunteering in the community (Beta = 0.370), Socially & Environmentally conscious investments (Beta = 0.277), Reducing Carbon footprints (Beta=0.146), Charitable giving (Beta=0.118) and Participating in the fair-trade (Beta= 0.038).

Ñ   **Most Preferred Organizational Activities Offered By Employers To Retain Talented Employees**

Table 6

Organizational Activities	Mean	Std. Deviation	Rank
Boost Employee Engagement	4.88	.329	V
Retain Talent	4.64	.607	I
Better media coverage	4.86	.391	IV
Better Public Image	4.83	.462	III
Attract Talent	4.73	.586	II
Attain & Retain Investors	4.92	.271	VI
More Volunteer Participation	4.98	.146	VII
Varied Sources of revenue	4.99	.147	VIII

From the above analysis table 5, it can be seen that employers prefer to corporate social responsibility in retaining a talent (mean of 4.64). The mean is also relatively high for the Attract talent (mean of 4.73). Employers adopt corporate social responsibility for better public image (mean of 4.83) which falls under III rank. Employers are moderately preferring corporate social responsibility for better media coverage with a mean of 4.86. Employers are adopting corporate social responsibility to boosts employee engagement (Mean of 4.88). Employers are adopting because to attain & retain investors and to volunteer participation with the mean of 4.92 and 4.98. Employers adopt corporate social responsibility to have a varied source of revenue with a mean of 4.99. This shows the reason employers adopt corporate social responsibility. A standard deviation close to zero indicates that the mean is reliable and that there is very little volatility in the sample. From the above table, it can be observed that the standard deviation for all the factors is less than 1, which indicates that the dispersion of the data is low.

Conclusion

Millennials have grown up with a different volunteer activity being a graduation concern. This mindset of offering back to the community mostly stays with them. Most of the talent prefers the company which does good environmental and social commitment. They tend to stay longer with the organization which adopts different corporate social responsibility activities such as reducing carbon footprints, improving labor policies, participating in fairtrade, charitable giving, volunteering in the community, and environment & Socially conscious investments. The organization adopts Corporate social responsibility to attract and retain the topmost talented employees. These activities tend to increase the better public image of an organization and boost employee engagement. This boost helps talent to retain in an organization. So it is very clear that employers should provide attractive corporate social responsibility activities to retain talented employees.

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