
ATTITUDES TOWARDS SUSTAINABLE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY AMONG FUTURE BUSINESS LEADERS IN BANGALORE, INDIA

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ABSTRACT: The main purpose of this thesis is to investigate the attitudes towards Corporate Social Responsibility (CSR) among India's future business leaders. Furthermore, the implications of the results are discussed from a Multinational Corporation's (MNC's) perspective. A survey based upon the Theory of Reasoned Action and the Triple Bottom Line was distributed to top business students in Bangalore, India. The results show that the sample group has a positive attitude towards CSR. Furthermore, the results suggest that top students evaluate the attractiveness of a future employer partly through its CSR work. The positive attitudes may benefit society. Attitudes among future business leaders are important since they are highly involved in shaping future norms and values in society. Therefore, a positive attitude to CSR among tomorrow's leaders can be a driving force behind sustainable development in India. Furthermore, since the students were found to partly evaluate a future employer based on their CSR engagement, MNCs are under pressure to deepen its CSR-work in order to recruit and retain talented young professionals. Also, our results suggest that a MNC should incorporate employer branding in their CSR-strategy or link CSR-strategy and employer branding efforts in order to reap larger benefits from CSR.

KEYWORDS: Corporate Social Responsibility (CSR), sustainable development, Theory of Reasoned Action (TRA), Triple Bottom Line (TBL), employer branding, India, Bangalore, Multinational corporations (MNC), International Business.

Preface

The main part of our thesis was written during a two months stay in Bangalore, India in the spring of 2007. The project was made possible by a Minor Field Study grant from the Swedish International Development Cooperation Agency (SIDA). During the project we met and received advice and help from many people. Especially we would like to thank Professor Balasubramanian, and Manjula at India Institute of Management, who assisted us before and during our stay in India. We would also like to thank Associate Professor Per-Olov Edlund, Associate Professor Magnus Söderlund and our supervisor Stefan Jonsson at Stockholm School of Economics for valuable advice and comments. Finally, we would like to thank Survey Generator for support in the creation and distribution of the online survey.

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Martin and Matilda

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1. Introduction

1.1 Background

Recently, the role of international business in the development of society has been widely debated and many companies are formalizing and expanding the scope of their voluntary environmental and social activities. In developing countries, such as India, many responsibilities previously carried out by the state have been shifted to the corporate sector. In India, this shift is partly due to the failure of the state to handle the emerging social and environmental problems. (Rowe, 2005; p. 2) (Marg, 2004; p. 5) Furthermore, India's recent economic progress has not only increased pressure on the environment, but also generated social tension by increasing the gap between India's middle class and the poor. Consequently, it has become even more important for corporations to consider their broader impact on society (Balasubramanian, 2003; p. 64). A failure to handle social and environmental problems may threaten the long-term stability and sustainability of India (Lovins et al, 1999; p. 146).

These trends, together with pressure from consumers in developed countries and historical mistrust towards international business, has put demand on especially multinational corporations (MNCs) to develop Corporate Social Responsibility (CSR)-strategies to handle the increased responsibilities (Kumar et al. 2001; p. 21). CSR-strategy refers to a company's voluntary activities "demonstrating the inclusion of social and environmental concerns in business operations and the interaction of stakeholders" (van Marrewijk and Werre, 2003; p. 107). Porter and Kramer (2002) stress that if a firm's CSR-strategy is related to its core business, the strategy has the potential to create social benefits beyond what is possible for individual donors, foundations and governments (p. 59). Hence, if firms are able to meet the expectations in social and environmental areas, while still keeping core business, profit making and survival in mind, firms with CSR engagement may play a central role in stimulating sustainable development in India.

In the shaping of a society, common values and norms play a central role. During a long period of emphasis on the importance of public policy for social development the government elite have had a strong influence on the formation of societal values. Today, business leaders and the civil society play a greater role in the transformation of value systems and institutional arrangements (van Marrewijk, 2003; p. 100). Attitudes towards CSR among the future business leaders are therefore one of the central elements that will influence future progress in social and environmental areas. Even at an earlier stage in their careers, young professionals' positive attitudes towards CSR may stimulate corporations' CSR activities. Therefore, this study has chosen to focus on the attitudes towards CSR among future business leaders and the implication of these attitudes on the CSR-strategies of MNC's in India, with special focus on Bangalore.

1.2 Purpose and Problem

The main purpose of this study is to examine the attitudes towards sustainable development and CSR among India's future business elite. The next generation's future business leaders are today's top business university graduate students. (Albaum and Peterson, 2006; p 301). Furthermore, the rapidly growing business sector has created competition among corporations in recruitment of talented graduates in Bangalore, India. The labor market here is characterized by strong excess demand for educated labor. According to Mahajan (2007), Indian colleges are not producing enough graduates to meet the needs of a high-growth economy (p. 63). Given the situation on the labor market, corporations may develop and use CSR as a feature to distinguish themselves from other employers (Balasubramanian et al, 2005; p. 90). An additional aspiration is therefore to analyze the implications of the views students hold about CSR for the CSR-strategies of MNCs. Hence, the overall research questions are:

What is the attitude towards CSR among India's future business leaders and what are the implications of these attitudes on the CSR-strategy of a MNC?

To analyze the problem several models have been applied and previous research has been interrogated. A common model for understanding CSR behavior among firms, Triple Bottom Line, and a robust theoretical model for survey methodology, Theory of Reasoned Action, together with empirical material are used to develop a survey, which targets top students in Bangalore. Previous studies are used to form expectations about likely results in the form of hypotheses. The hypotheses are tested with a multitude of statistical techniques. The result of the analysis as well as a number of interviews with several representatives of international corporations in Bangalore, form the basis for discussing the implication on a firm's CSR-strategy. This analysis uses an employer-branding model as well as reasoning from Porter and Kramer (2002).

The main part of this thesis is an empirical study and the study's major contribution is therefore empirical, i.e. the attitudes towards CSR among business students in Bangalore. In addition to the attitudes, the survey tries to capture the effect CSR has on how students evaluate a future employer. This is measured through an experimental test. The final section on the implications of the empirical result includes a theoretical discussion of and an application of the results and on the incorporation of CSR and employer branding. Few studies have actually connected attitudes toward CSR and employer branding and no study has to the authors knowledge empirically verified whether students in Bangalore evaluate a future employer partly through its CSR work.

The idea of CSR-strategies has also been criticized. According to economist Milton Friedman, the only responsibility of business is to deliver profits to its owners (Pinkston and Carroll, 1996; p. 199). However, this study is based on the belief that international firms in India can play an important role in social and environmental development. As emphasized by Lovins et al (1999) there are often untapped opportunities for firms to not only become significantly more sustainable through reducing environmental and social strain, but also at the same time

directly improve profit (p. 157). Firms that do see these opportunities can deliver significant benefits to both current and future generations.

1.3 Choices and limitations

The first part of this thesis investigates the attitudes India's future business leaders have towards CSR. Since many of the future leaders are studying at top schools in Bangalore, the attitudes of these students towards CSR and sustainable development can be regarded as a good indication of India's future business leaders' attitudes towards CSR since the students come from all over India. Note that the survey respondents are part of the highly educated urban elite. Thus the study is not representative for the general public in India, but rather represents attitudes among India's future business leaders.

While the general research question here is the attitudes towards CSR among India's future business leaders in India, the empirical investigation in this study is carried out in Bangalore. There are several reasons for focusing on the Bangalore region. Firstly, there are top management schools in Bangalore, where the attitude survey is conducted. Secondly, there is high presence of international corporations, which are the focus of second part of this thesis. In the 1990s, outsourcing became the norm and Bangalore's dynamic business sector was created with a many international high-tech and service firms (Jose, 2003; p. 61). For various historical reasons, international corporations have been viewed with mistrust in India (Kumar et al. 2001; p. 21). Together, growing pressure from consumers in developed countries, global supply chain partners and the Indian public's skepticism have forced international firms to work extra hard with social and environmental issues (Sood and Arora, 2006; p. 6). In sum, the pressure on MNCs makes their CSR-policies very interesting. The international corporations also recruit from the top students in Bangalore and the MNC's are also very popular employers for the top students in Bangalore. Furthermore, since the attitude survey focuses on intentional behavior to apply to a firm depending on CSR-strategy, the final discussion of CSR is limited to the human resource management (with focus on employer branding) perspective of CSR.

1.4 Organization of the paper

The rest of this study is organized in the following way. In the second section the different concepts and models are explained. The concepts of sustainability, CSR, Triple Bottom Line and the theoretical base of the survey, the Theory of Reasoned Action, are presented. In addition previous empirical findings are discussed in order to develop the hypotheses underlying the analysis. In the third section, the methods used and the data collected are described. The fourth section includes the results and the analysis of the data. In the fifth section, a model of employer branding model is laid out and the implications of the empirical results for a corporation's CSR-strategy are discussed. The final section contains the main conclusions of the study.

2. Corporate Social Responsibility

In this section, the concepts of sustainability, CSR and Triple Bottom Line as well as the Theory of Reasoned Action are discussed with the aim of finding a framework from which to formulate questions in order to evaluate attitudes. Also, the historical development of CSR in India is outlined and previous research is presented. Since there is no theoretical framework that covers the whole purpose of this study, the history of CSR in India, previous research, Triple Bottom Line and the Theory of Reasoned Action will all be used to develop the hypotheses underlying the analysis.

2.1 Sustainability, CSR and Triple Bottom Line

In order to fully understand how the hypotheses are derived and the expectations of the hypothesis in an Indian context a thorough presentation of Triple Bottom Line, sustainability and CSR is provided in this chapter. Sustainability and CSR are two integrated issues. The concept of sustainability was originally used in the discussion on environmental issues; to an eco-system's potential to subsist over time. Later social development was added and the concept was no longer limited to the environment, but also came to include society and the economy (Jabareen, 2005, p. 3). Over the last 15 years, several models and definitions of sustainability have been proposed, which extends and emphasizes different aspects. However, as pointed out by Manderson (2006), the precise meaning of sustainability remains unclear and there is a clear lack of operative definitions. (p. 86). The most widely used definition comes from the Brundtland Report of 2001, which defines sustainability as "meeting the needs of the present without compromising the ability of future generations to meet their own needs."¹ (Porter and Kramer, 2006, p. 81) Often the concept of sustainability is modeled into three dimensions, the economic, social and environmental dimensions known as the Triple Bottom Line.

Sustainability is closely connected to the concept of CSR. A basic model for the modern version of CSR is the four part model developed by Carroll (1979). According to this model, a firm has economic, legal, ethical and philanthropic responsibilities. The latter two areas, ethical and philanthropic, are central for a firm's CSR work (Matten et al, 2003; p. 110). These two areas have then been further developed into a multidimensional model of CSR consisting of the environmental and social dimensions which concern the corporation (Panwar et al, 2006; p. 6).

An integrated model of sustainability and CSR was developed by van Marrewijk (2003)². This is the model used as the basis for this paper. van Marrewijk (2003) refers to sustainability³ as the "ultimate goal" but also introduces CSR within the framework (illustrated in figure 1). The Triple Bottom Line model of sustainability (social, economic and environmental issues) is

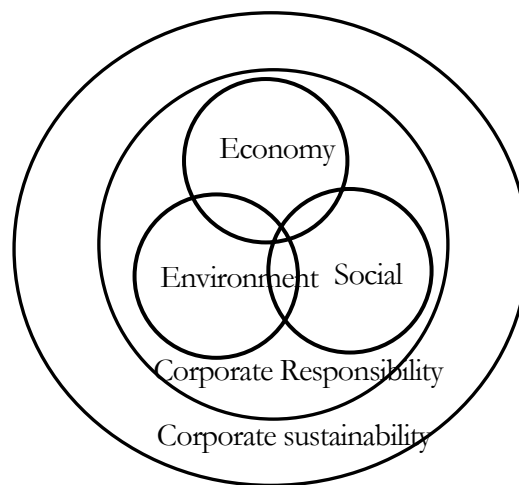
¹ The 1987 report, which resulted from a three-year project of the United-Nations-sponsored World Commission on Environment and Development, headed by Gro Harlem Brundtland, twice Prime Minister of Norway.

² van Marrewijk builds upon earlier research by Panapanaan et al (2002).

³ van Marrewijk uses the terminology "Corporate sustainability" but defines the term as the concept of sustainability in the Brundtland report.

incorporated into corporate responsibility (CR) (van Marrewijk, 2003; p. 102). In this model, corporate responsibility can be understood as the balancing of the economic, social and environmental roles that companies play when conducting business (see figure 1 below). Hence, CSR refers to when firms balance the three elements of sustainable development (the Triple Bottom Line). In this study the term sustainable development will be used when referring to general beliefs about or attitudes to social and environmental issues. The concept of CSR is used when referring to a corporation's social and environmental work and actions or to attitudes towards a firm's engagement in these issues. CSR-strategy is primarily used when referring to the firm's strategic policies and plans of CSR. Also, Corporate Responsibility (CR) and Corporate Social Responsibility (CSR) are used synonymously. There has been a trend among corporations to move from the concept of CSR to CR since CSR may give the impression of only including social issues leaving environmental issues out.

Figure 1. General models of C(S)R and sustainability



Note: van Marrewijk (2003; p. 107) built upon studies by Panapanaan et al (2002).

The importance attached to different aspects of sustainable development and thereby to CSR that is to economic, environmental and social issues may differ between countries. Jabareen (2005) and Manderson (2006) note that there is a built-in conflict between various aspects of sustainability. Different individuals and organizations will emphasize different aspects depending upon their interests. Jabareen (2005) captures this when suggesting that the concept of sustainability "reflects deep political disputes between the Northern and Southern countries, where the North demands 'no development without sustainability' and the South demands 'no sustainability without development.'" (Jabareen, 2005; p. 11). This suggests that in an Indian context different emphasis may be put on each of the three dimensions of the Triple Bottom Line than will be the case in a more developed country.

In this study of students' attitudes to CSR, focus will lie on the Triple Bottom Line issues of social development and environmental concerns. From a list constructed by Business for Social Responsibility Issues, eight central aspects of CSR have been chosen: attitudes towards poverty, education, health care, discrimination, water and ground pollution, energy efficiency, and access to clean water (BSR, 2003). The first four aspects represent different dimensions of

the social aspect of CSR and the remaining four represent dimensions of the environmental aspect of CSR. These aspects are identified based on the current situation and problems in India. The illiteracy rate in India reaches 39 percent of the adult population, 79 percent in India live on a level below 2 dollars (28.6 percent below the national poverty line) per day and the heritage from the cast system as well as gender inequalities highlight the problem of discrimination. The total annual health care spending per capita is 82 USD (PPP terms in US dollars)⁴. Furthermore, 14 percent do not have access to improved water (Human Development Report, 2005). The growing population as well as rapid economic development has put great strain on the environmental resources, the water and the ground pollution and also energy usage (CIA-WFB, 2007). Factor analysis is used in this study to verify that the four dimensions used to represent social and the four used to represent environmental aspect of CSR in Bangalore actually can be grouped into social and one environmental variable.

The focus in this study lies on “outside factors” of CSR rather than factors “internal” to the company. In other words, it is the students’ view on the corporation’s obligations towards society as a whole which are measured, rather than the firm’s obligations regarding employee conditions. This delimitation was made since the respondents of the survey are students and may have difficulty imagining themselves as employees of a firm.

The Triple Bottom Line model has been criticized especially for making some critical assumptions. Firstly, there are the basic assumptions that the firms meet all obligations which are required by law and that they will accept a wider responsibility than profit-maximization. Secondly, the framework does not help the company manager to prioritize between different stakeholders’ interests when they are in conflict. (Robins, 2006; p. 112). Despite this criticism, several benefits of the use of a Triple Bottom Line model from a firm’s perspective have been identified which will be discussed in section five.

2.2 Theory of Reasoned Action

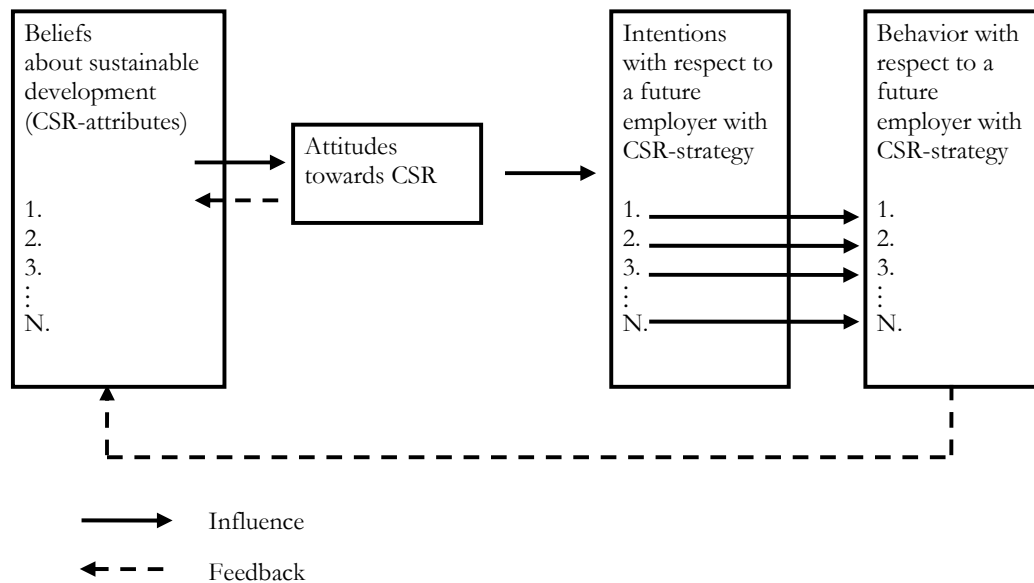
In order to analyze the connection between students’ attitudes and their implication for the CSR-strategy of a firm, the methodological framework Theory of Reasoned Action developed by Fishbein and Ajzen (1975) is used. Then the effect of these beliefs and attitudes on an Indian student’s intention to apply for a job at a possible future employer is studied. Specifically, an Indian student with positive beliefs about sustainable development and a belief that firms can make a difference regarding social and environmental problems should also have a positive attitude towards CSR. According to the theory, if CSR-policies make a difference to an Indian student’s attitude towards a future employer, this will influence a student’s intentions towards the same firm. In other words, an Indian student with a positive attitude towards CSR should also rate a job offer from a firm with a well-developed CSR policy higher than the same job-offer from a firm with a less-developed CSR-policy.

The Theory of Reasoned Action model of an individual’s behavior with respect to an object is summarized in figure 3 using the example of beliefs and attitudes regarding sustainable

⁴ Sweden’s health care spending equals 2706 US dollars.

development and CSR strategies. In the figure, the solid arrows represent direct influence and the dashed arrows represent feedback effects (Fishbein and Ajzen, 1975, p. 15).

Figure 2: Schematic presentation of the Theory of Reasoned Action



Note: Fishbein and Ajzen (1975; p. 15).

A belief about a physical or abstract object is merely a piece of information and is usually linked to an attribute of an object. The strength of different beliefs about a particular attribute-object association may differ between individuals. For example, an individual could have a belief that a future employer with a policy to minimize pollution actually pollutes less than a firm without this policy and may be moderately sure about this belief.

Whereas beliefs are merely pieces of information an individual has about an object, attitudes towards an object are evaluative and affective. In other words, attitudes involve some form of normative evaluation, for example on an axis of good to bad. In the model presented in figure 2, beliefs upon an object build an individual's attitudes toward the object. In this study, it is assumed that the beliefs an individual holds about the attributes of CSR (sustainable development) will affect the same individual's attitude towards CSR.

The attitudes an individual holds will influence various intentions with respect to an object, and to a certain extent, these intentions may be realized as behavior with respect to the object. In other words, if an Indian student has favorable attitudes towards CSR, the student can be expected to have favorable intentions towards a firm working with CSR. Although these behavioral intentions may or may not be realized, they make the individual more likely to behave favorably towards the firm by, for example, sending a job-application to the firm. Note that it is not always possible to directly observe the behavior of individuals. However, the behavior of individuals, i.e. the status of the last box in figure 2, can be inferred from the previous three boxes describing beliefs, attitudes, and intentions.

The Theory of Reasoned Action has been used extensively since its formulation and it has proven valuable in a variety of cases. The Theory of Reasoned Action has also been proven to work well outside the model's original boundary conditions as defined by Fishbein and Ajzen (1974). Specifically, the model has worked well in situations involving a choice among alternatives (Sheppard et al. 1998; p. 340). In this study, the object under investigation changes when passing from beliefs and attitudes to intentions in figure 2 (from CSR to employer with CSR-strategy). However, this shift in object is considered reasonable and not outside the wider boundaries of the Theory of Reasoned Action framework. To verify that the model is applicable, correlations are run between beliefs, attitudes and intentions. A student's positive beliefs and attitudes towards CSR are likely to translate into a positive intention and estimation toward a firm with a CSR-policy.

Furthermore, Sheppard et al (1988) suggest that estimations of the probability that a behavior will actually be carried out, instead of only measures of intention, should be used when describing behavioral intentions, since estimations of probability tend to predict behavior better (p. 328). The reason is that individuals may intend something, but may also know it is unlikely that this intention will actually come about, due to various constraints. A student may intend to apply to a firm, which is doing a lot of good CSR work, but estimate that the probability of actually doing so is quite low. The reason may be, for example, that other parameters such as salary or location are regarded to be more important⁵. In short, individuals tend to consider a multitude of factors when asked to estimate whether they actually will take a certain action, compared to when only stating if they intend to behave in a certain way. (Sheppard et al, 1988; p. 240) In this survey, the part measuring behavioral intentions allow respondents to answer in terms of both estimations and intentions.

2.3 History of CSR in India

In order to understand the derived hypothesis and results from previous research a short introduction of the history of CSR in India is provided in this section. A company taking on a wider responsibility towards the local community is not a new phenomenon in India (Balasubramanian et al, 2005; p. 80). Indian firms have a history of corporate paternalism and philanthropy, which has affected expectations on CSR in India (Sood and Arora, 2006; p. 5). In other words, historically, Indian citizens' has tended to expect local firms to support the local community. Given this backdrop, it is not surprising that Gandhi rallied Indian companies to support the nation building during the 20th century (Kumar et al, 2001; p. 2). However, the impact of this form of corporate responsibility with strong focus on social issues has remained mostly limited to family-owned firms with strong ties to the local community (Balasubramanian et al, 2005; p. 80). After India declared independence in 1947, another model for how firms would assist society emerged in response to the large public sector and state-owned companies. These state-owned companies expanded and

⁵ In this study an experiment is conducted by dividing the students into four different groups which receive different job descriptions. The job descriptions vary when it comes to CSR-involvement of the firm. However, the willingness to pay, that is the trade-off between salary and CSR- involvement, is beyond the scope of this study and left to further research.

institutionalized social practices in areas of worker and community relationships (Kumar et al, 2001; p. 2).

In the mid-90s, the Indian economy underwent significant liberalization and India has shown substantial economic progress ever since (Basu, 2007; p. 28). However, the newly generated wealth has not dripped down to the over 300 million Indians still living below the poverty line (Srinivas and Nayar, 2007); India is still home to a quarter of the world's undernourished and India is therefore referred to as a "parallel economy" (Rangnekar and Sharma, 2006; p. 18). Kumar et al. (2001) notes that the remaining state-owned companies and many family owned firms have continued with their old social responsibility practices also during the liberalization period, but the impact appears to have been limited (p. 2-3).

During the last decade, expectations on what the state should and should not do appear to be shifting in India. Consequently, the state has been rolling back from areas in which it has failed to deliver (NSE/NIFTY, 2003; p. 4); (Marg, 2004; p. 5). As India has moved towards a liberalized and market-oriented economy, the public's expectations on corporate support have increased (Balasubramanian, 2003; p. 63). This trend is common for developing countries since their laws and the implementation of these laws are generally not as strict as in developed countries when it comes to environmental issues or the protection of individuals. In addition developing countries often lack a strong state and have weaknesses in social systems as well as in laws that regulate business conduct (Sood and Arora, 2006, p. 48).

2.4 Hypotheses and empirical findings from previous studies

From the Theory of Reasoned Action, Triple Bottom Line, historical context and previous studies, the hypotheses are developed as well as the expected outcome of the hypothesis testing. In sum, three main areas consistent with the Theory of Reasoned Action have been identified as central in order to answer the main question concerning the future business leader's attitudes towards CSR posed in this study. The three main areas are.

- General beliefs on sustainable development and the scope of CSR
- Attitudes towards CSR
- Importance given to a CSR-strategy when choosing a future employer

To quantify expectations on CSR in India – a vast and heterogeneous country with 35 different states, 100 languages spoken together with a divisive influence of the cast system – is not a straightforward task (Rangnekar and Sharma, 2006; p. 1). The numerous surveys addressing CSR in India during the last decade is a reflection of the heterogeneity in India and shows differences not only over time, but also among different groups within the Indian society (Kumar et al, 2001; p. 15-18). Furthermore, the studies differ in both response group and purpose. Therefore previous studies are used to generally describe the situation in India. Based on this general picture of CSR development in India and the previous conceptual description of CSR outlined in section 2.1, several hypotheses are formed.

2.4.1 General beliefs on sustainable development and the scope of CSR

According to the Theory of Reasoned Action, the initial step to measure attitudes is to investigate belief about the attributes of an object. Here the attributes refer to the sustainability issues developed from the Triple Bottom Line, healthcare, education, poverty, discrimination representing the social dimension and ground pollution, water pollution, energy efficiency and access to clean water representing the environmental dimension. The beliefs are divided into two areas, first, beliefs that the sustainability issues are a problem and second, beliefs that firms can make a difference in improving these issues. Hence, two main hypotheses on beliefs are presented below.

- | | |
|----|-----------------------------------------------------------------|
| H1 | There is a general belief that sustainability is a problem. |
| H2 | There is a belief that firms can improve sustainability issues. |

The Millennium Poll⁶, which interviewed 23,000 average citizens worldwide, highlighted the worldwide rising expectations on companies to not only make profits, pay taxes, employ people and obey laws, but also to contribute to broader societal goals (EI, 1999; p. 1). However, the study showed that Indian citizens did not agree with this to the same extent as for example North Americans (MORI, 1999; p. 2).

Later results from the TERI-Europe⁷ poll carried out in 2001 showed that attitudes to CSR were definitely changing also in India. The poll investigated attitudes to and expectations on the social, economic, and environmental responsibilities of companies operating in India among the Indian middle class, workers, and corporate executives (Kumar et al, 2001; p. 7). A third of the respondents reported that they considered environmental, labor, and social issues as most important when forming an opinion about a company (Kumar et al, 2001; p. 11). In addition, the study conducted by the Indian Institute of Management in Bangalore (IIMB) in 2001 showed how Indian young professionals from the urban elite considered CSR issues important, although they tended to view urban issues as more of a major concern than rural issues. Overall, the results point towards an increasing awareness of CSR in India, in particular in the upper social classes. Hence, the beliefs about sustainability are expected to be positive.

The results presented above suggest that one can expect that the students investigated in this study will have positive beliefs towards sustainable development and also believe that firms can make a difference. However, it is hard to determine which aspects of CSR, social or environmental, which Indian students can be expected to emphasize on the basis of the earlier studies. Nevertheless, the focus Indian firms traditionally have had on social and community issues and the wide spread poverty in India, would suggest that Indian students view social issues as more important than environmental issues. This reasoning was also suggested by several of the representatives of international corporations in Bangalore who were interviewed for this study. As earlier mentioned section 2.1, the relative weight of the three aspects of Triple Bottom Line may differ in an Indian context from that in a western context.

⁶ Conducted by Environics International Ltd. in cooperation with The Prince of Wales Business Leaders Forum and The Conference Board (EI, 1999; p. 1).

⁷ The Tata Energy and Resource Institute Europe (TERI-Europe) commissioned the market research agency ORG-MARG Research Private Limited to conduct the poll (Kumar, 2001; p. 7).

Jabareen (2005) suggested that a developing country demands no sustainability without development (economic progress) (p. 11). A higher emphasis on economic issues in India can also be understood using a Maslow's hierarchy of needs, in which survival is regarded as a fundamental need (Tuzzoline and Armandi, 1981; p. 22). The hypothesis that social aspects are valued higher follow a similar logic. Social difficulties often affect the daily life and survival. People in a poor society would therefore perceive social difficulties as more important than environmental issues, which tend to impact society in the long term. Using the Triple Bottom Line concept, the hypothesis will be that the social and economic dimensions of CSR are perceived as more important than environmental issues by the respondents. All main hypotheses will therefore be tested to see which aspect is perceived as most important, social or environmental with the assumption that social issues are the most important.

There is no Indian study on how ethical considerations differ by gender. However, in a study of 3000 US business university student's attitudes toward business-ethical-related issues, Albaum and Peterson (2006) found that the female survey participants were slightly more ethically inclined than the male survey participants (p. 301). The authors also highlight that there are theoretical reasoning for the gender difference when it comes to ethical issues. Women tend to be more "cause" oriented and men more "justice" oriented, which suggest that women should be more ethically inclined than men when it comes to business related issues. However, other theoretical approaches emphasizes that there are no difference between men and women; the moral reasoning of both is based on justice considerations. (Albaum and Peterson, 2006; p.301-302) Albaum and Peterson (2006) conclude that even though there are conflicting theories, the empirical results are conclusive; women have significant higher ethical scores (p. 302-303). The empirical results from previous studies suggest that the women in the sample will be more positive than men to CSR. This hypothesis will be tested for when measuring both beliefs and attitudes.

2.4.2 Attitudes

The beliefs about an object build up the attitude towards that object. Marg (2004) reflects upon the view of CSR among firms in India and concludes that although awareness of CSR has been growing, there is still not a critical mass awareness of the CSR (p. 1). However, the upper urban class is expected to have a positive attitude towards CSR. This assumption is built upon the increasing general awareness and on the Theory of Reasoned Action; since the beliefs about sustainability and firms' ability to improve sustainability are expected to be positive, the attitude towards CSR is also expected to be positive, thus:

H3 There is a positive attitude towards CSR.

The Teri-Europe poll found that the citizens' perception of the CSR work performed by companies in India was significantly below the companies' own judgments about their performance (Kumar et al, 2001; p. 20). The Teri-Europe also revealed a lack of trust in companies in general and in particular in global companies operating in India (Kumar et al, 2001; p. 21). This is underlined by the IIMB survey, which found that most top students believed that multinational corporations apply lower standards in host countries compared to what they do in their home countries (Balasubramanian, 2005; p. 85). Also, the memories from

the 1984 Bhopal scandal when an international corporation's factory leaked gas killing and injuring thousands of Indian people is still fresh in the memories of the Indian people (Broughton, 2005; p. 4). The results from previous studies suggest that students view companies CSR with some skepticism, and that this is true in particular for international firms. Hence, the hypothesis that the students may demand more from international firms since the international firms has more to "prove" toward society. Since the fourth hypothesis is derived largely from previous empirical findings, it is denoted HE4 and is phrased:

HE4	International firms hold a wider responsibility than local firms
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The fifth hypothesis dealing with attitudes was developed in order to make a direct comparison with the IIMB poll conducted in 2001. It attempts to capture the attitude towards CSR being driven by regulation. Similar to HE4, the fifth hypothesis is largely derived from previous empirical findings and is thus labeled HE5.

HE5	Firms should be forced by law to pay special attention to the impact of its business on sustainability
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In the IIMB poll from 2001, 55 percent of the respondents thought more legislation was necessary which suggest a positive attitude towards legalization (Balasubramanian, 2005; p. 83).

2.4.3 Intentions and estimations

Taken together, the empirical results from previous studies suggest that our survey will reveal general beliefs that sustainability is a problem and that firms can improve sustainability issues, which should translate into a positive attitude towards CSR. The hypothesis is also that the demands directed towards international firms are higher than for local firms. In addition, the emphasis is expected to lie on social issues rather than environmental and women are expected to be more positive than men are. According to the Theory of Reasoned Action, Indian students' positive beliefs towards sustainable development and positive attitudes towards CSR suggest that the final experiment with respect to the CSR-strategy of a future employer should show students to be more positive if a firm has a CSR-policy. Hence, the final hypothesis is:

H6	A firm's CSR-strategy affects students' intentions to apply to a firm and their estimated probabilities of actually applying to the same firm.
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3. Method

In this chapter the research process is described. Also the data collection procedure is presented. Furthermore, the reliability and validity of the study are discussed.

3.1 Research process

The research process began with a literature study. Theoretical and empirical material was collected from research institutions, academic journals, and books. The secondary material has been gathered from scholarly sources and has been critically evaluated. On the basis of the Triple Bottom Line concept, the Theory of Reasoned Action and on empirical material, the hypotheses about Indian students' beliefs, attitudes, and intentions towards CSR and towards firms working with CSR were formulated. No theoretical model covers the entire purpose of this study and therefore hypotheses were generated from previous empirical studies. The formulation of the hypotheses and especially the construction of the survey was an iterative process. Survey questions, and to some extent the hypotheses, were reformulated and redeveloped several times after feedback was received from colleagues as well as from the pilot-survey.

The initial literature study and the development of hypotheses were followed by primary data collection through a self-administered mail survey. The data from this survey constitutes the major part of the data that are analyzed. Furthermore, interviews with several corporations were conducted in India during April 2007. The material from the interviews, together with the data from the survey, is used to discuss strategic implications of the results for a corporation. The survey respondents and the corporations interviewed were chosen to match each other. In other words, the corporations interviewed are recruiting from the schools to which the survey was distributed, that is IIMB⁸ and IITB.⁹ The schools and the firms interviewed are based in the Bangalore region.

The primary data from the survey was processed in SPSS and a number of statistical tests were run to test the hypotheses. Whereas the survey data was analyzed both quantitatively and qualitatively, the interviews with corporation staff were only analyzed qualitatively. In other words, this study uses a combination of a qualitative and a quantitative approach in order to form a broad picture of the studied phenomena. (Holme and Solvang, 1997; p. 87). A combined qualitative and quantitative approach may also cause problems, for example if the collection of data does not follow a standardized procedure and consequently lowers the precision necessary for a quantitative analytical tool (Holme and Solvang, 1997; p. 87). However, since the survey data collection carried out for our study was highly standardized, a combination of a qualitative and qualitative approach can here be used in a beneficial way.

The theoretical base for the discussion of the results from a firm's perspective was identified when the analysis of the survey was finalized and highly dependent on the results of the

⁸ India Institute of Management, Bangalore

⁹ India Institute of Information Technology, Bangalore

survey. Therefore, to facilitate for the reader and to give a full picture of the research process, the model of employer branding is presented in connection with the analysis of the implication of the results in chapter five.

3.2 Survey

The attitude survey was conducted through a self-administered web-based questionnaire and was administered to the respondents through email. There are several good reasons for relying on a web-based survey in this case. Firstly, the respondents are computer proficient and have laptops with wireless internet access throughout the campus. In addition they have 24-hour access to computer labs. Secondly, a web-based mail survey allowed monitoring of the survey administration process. In other words, it was possible to ensure that only the invited individuals answered the survey. Also, detailed statistics on the dropout rate, the proportion of respondents who had completed the entire survey, and the average time the latter group spent completing the survey could be monitored. Thirdly, anonymity is easy to both assure and communicate in a self-administered web-based survey. Anonymity is very important in an attitude survey. The respondent then feels less pressured to provide answers assumed to be viewed as preferable or correct by the survey administrator. The approach chosen should increase the likelihood of a frank and honest answer and therefore increase the quality of the study (Bourque and Fielder, 1995; p. 13).

3.2.1 Pilot study

In order to analyze if the survey questionnaire was correctly constructed and the questions were easy to understand, a pilot survey in paper format was physically administered to around 60 international students at Stockholm School of Economics. In total, about 50 students fully completed the survey. If all respondents answer the questions in a similar way, this indicates that the questions are correctly specified (Ejlertsson 1996; p. 31). Specifically, Cronbach's alpha was used to measure the reliability of the survey, discussed further in section 3.4.1. Analysis of the data showed high Cronbach's alphas and significant correlations between beliefs, attitudes, and intentions, which suggests that a correct application of the Theory of Reasoned Action framework has been made.

Furthermore, the data showed significant differences in terms of respondents' intentions and estimations of the probability for applying to a particular firm, depending on whether the firm had a developed CSR-strategy or not. The pilot group was also given the opportunity to comment on the survey. Comments from respondents and further analysis of the non-properly completed surveys resulted in two adjustments. Firstly, one question was restated since several respondents found the question unclear. Secondly, the introduction letter was rewritten and a set of short instructions were added to the beginning of the survey. Special care was taken to explain why respondents have to provide an answer on all three scales after each question. Note however, that in the web-based questionnaire a respondent could not proceed forward without having properly completed a question. The more detailed explanation of why the respondents had to provide their answers to each question on three different scales were added to avoid irritation and confusion, thereby hopefully increasing the response rate.

3.2.2 Questions

A link in the mail sent out to the respondents lead to the actual survey. First, a short instruction text was visible, and then followed the 27 questions. The survey included four background variables, gender, years of study in business school, years of working experiences and age. The demographic questions were put at the end of the survey since they may be considered sensitive and the respondent are more likely to feel comfortable with the survey at the end (Gaddis, 1998; p. 2). The background variables were used to see if the answers vary between different groups. The online survey ended with a thank you note and email addresses to which further questions could be directed.

The questions have been phrased according to the criteria suggested by Oppenheim (1992): they are short, not doubled-barreled, and do not use colloquialism, proverbs, acronyms or double negatives (p. 160). Special care was taken to formulate the questions as clearly as possible. The survey included three batteries of questions corresponding to the Theory of Reasoned Action - modeling beliefs, attitudes and intentions. Also, within each of the set of questions, there were questions on social development and environmental concern.

The final battery dealing with intentions was constructed as an experiment. The respondents were divided into four groups and each group received a unique description of a future employer and were asked to rate both their intention to apply for the firm and their estimation of the probability of actually doing so. The four descriptions varied when it came to CSR: one description contained no CSR, one contained both social and environmental CSR, one contained only social CSR, and the final contained only environmental CSR.

Table 1: Overview of survey

Question Battery	Objective
I	Questions aiming to establish the general beliefs about issues of sustainability and scope of CSR.
II	Questions aiming to establish the attitudes towards “CSR-strategies”, using typical attitude measures “good-bad, “favourable-unfavourable”, approve-disapprove”.
III	An ‘experiment’ aiming to measure the effect of CSR-policies on students’ intentions towards a job.

3.2.3 Sampling

Given the purpose of the study, to investigate the attitude among India’s future leaders in the Bangalore region, the sample group should represent the top students in Bangalore. The respondents chosen for this study is a younger version of the respondents in the survey conducted by IIMB in 2001, the geographical constraint of Bangalore added. The students

can thus be regarded as the emerging new urban upper class in Bangalore (Balasubramanian, 2005; p. 83). The students receiving the survey invitation have been chosen to be a representative sample of a larger population of young highly educated students in Bangalore, of which many can be expected to become India's future leaders. In total, 759 students at IIMB and 293 students at IITB received an invitation to participate in the survey through email. As described in section 3.2.2, the students who received the survey invitation were further divided into four different groups. This was done in a way similar to that used in systematic sampling and was used here in order to carry out an experiment of exposing respondents to different scenarios to be able to measure their intentions (Kalton, 1987; p. 16).¹⁰

Although a reasonable response rate was expected, a significant portion of the respondents can be expected to not fully complete a web-based self-administered survey. If the issue of non-response is large enough, this may introduce a bias in the data (Flink, 1995a; p. 26). Non-response is discussed in detail in section 3.2.5.

3.2.4 Scaling

After each statement in the questionnaire, the respondents must indicate an answer on a scale. Selecting an appropriate scale for a survey is not a trivial choice, as it has a significant impact on what methods can later be used to analyze the data (Söderlund, 2005; p. 108-109). When attitudes are measured, it is standard to use differential scales (Söderlund, 2005; p. 93). Differential scales allow for standard measures such as means, standard deviations, and correlations to be calculated and allow for the use of standard statistical tests and methods (Söderlund, 2005; p. 105-108, 169).

Furthermore, the scales used in this study are bi-polar and semantic. With semantic and bi-polar is meant that the endpoints of the differential scale correspond to opposite ends of a particular semantic dimension, and are for example labeled agree and disagree. Whereas the first endpoint, agree, represents a total agreement with the statement, the other endpoint, disagree, is interpreted as a total belief in the opposite statement. (Fishbein and Ajzen, 1975; p. 83). In other words, a bi-polar scale, as compared to a uni-polar scale, allows the respondent to indicate both direction and intensity of each judgment (Fishbein and Ajzen, 1975; p. 74).

In the survey, equal spacing between the answer boxes was used, to underline the linear scale between the two endpoints (Söderlund, 2005; p. 92). In addition, the boxes were numbered one to five, with one placed over the box close to the left (negative) end and five over the box close to the right (positive) end. The scales presented throughout the survey are all consistent to reduce confusion for the respondents (Ejlertsson, 1996; p. 80).

Although the scales used were verified through a pilot-survey and also worked well for Indian students beliefs, they appeared unable to capture the entire attitudes, intentions and estimations. A high proportion of the respondents gave extreme answers and this suggests that endpoints used, such as good/bad, were not considered extreme enough by many of the

¹⁰ In other words, the 1st, 5th, 9th, ... student was given id=1, and the 2nd, 6th, ... was given id=2, the 3rd, 7th, ... was given id=3, and finally the 4th, 8th, ... student was given id=4.

respondents. This effect was not visible in the data from the pilot study. In addition, male respondents indicated significantly more extreme values than female respondents.

Through the first battery of questions, beliefs are measured. Since a respondent may not always be completely sure about a particular statement, beliefs are measured on a subjective probability scale. (Fishbein and Ajzen, 1975; p. 12, 53). Through the second battery of questions, attitudes are measured. Here the respondents answer on bi-polar evaluative or affective scales, which allow both intensity and direction to be indicated. Finally, in question battery three, intentions are measured. Here the respondents indicate the strength of their intentions on scales similar to that in question battery two. The likelihood that these intentions will be carried out is measured on a subjective probability scale, similar to that in question battery one.

In the survey, respondents indicated their answers on discrete five-point scales, with points numbered 1-5. The interval, i.e. 1-5, was divided into five equally long segments¹¹, where the middle interval represents neither positive nor negative which are referred to as the zero point. In other words, only the respondents that indicated beliefs, attitudes, or intentions higher than this zero interval, i.e. above 3.4, were considered to indicate positive beliefs, attitudes, or intentions for a particular question.

3.2.5 Distribution and response rates

The distribution process looked as follows. First, an invitation was sent out by a professor at IIMB in which the students were encouraged to respond to the survey which they would receive a week later. A pre-notice of this kind can be a useful tool in order to increase response rates (Manfreda and Vehovar, 2002; p. 19). Second, approximately two weeks later, the sample group was mailed an introduction letter with a link to the survey. The introduction letter presented the purpose of the study, the definition of CSR, the persons behind the study, as well as the fact that participation was voluntary and anonymous (see appendix 1). In order to increase the response rate and thereby decrease the bias, there was a “promotion tie-in” by offering a voluntarily participation in a random drawing of USB memory sticks (Gaddis, 1998; p. 5).

Third, after five days two different kind of reminders were sent out, one to those who had started the survey but not completed it, and one to those who has not started the survey at all. The respondents were allowed to start and continue the survey later due to the length and in order to increase the response rates. To encourage the students to continue during the survey a progress bar was visible. The progress bar showed how many questions the respondent had answered and how many were left to answer. Fourth, ten days later the third and final reminders were sent out. As stressed by Manfreda and Vehover (2002), the response rate decreased with time and increased with the number of follow ups.

¹¹ In other words, the first segment corresponds to (1.0;1.8), the second segment corresponds to [1.8;2.6), the third segment, which represents the zero, corresponds to [2.6;3.4), the fourth segment corresponds to [3.4;4.2), and the final segment corresponds to [4.2;5.0).

The response rates were considered acceptable and listed in table 2. Unfortunately, the drop-out rate was high as well. The length of the survey, as well as a miscalculation of the time it actually took to complete the survey might be explanations for the dropouts. It in fact took the respondents approximately 20 minutes to complete the study, while the indicated time for completion was 5-10 minutes. The true response rate is likely to be slightly higher than the response rate indicated in Table 2, given that about ten percent of the sent invitation mails bounced back because of full inboxes.

Table 2: Response rates for surveys

	IIM	IIITB
Number of surveys sent	759	293
Number of respondents	174	26
Started but not completed	119	50
Response rate	22.9%	8.9%

The response rate from IIMB was higher from that of IIITB, possibly due to the fact that the study was conducted in cooperation with IIMB and the professor sending out the first invitation letter were connected to IIMB. Unfortunately, non-responses can introduce a bias in the data (Flink, 1995a; p. 26). The background variables were used to control for the bias that may arise if only a particular category responds, for example mainly those respondents with a positive attitude towards CSR. In addition, the differences between respondents answering the survey in one, two, and three sessions are investigated as this may be an indication of a bias.

3.2.6 Bias

There are mainly two sets of biases in the study. Firstly, the respondents who are interested in the field of CSR may choose to participate resulting in a positive bias. For this purpose a motivation factor, the possibility to win USB sticks, was presented. The rather high response rate (for an internet survey) could also be a sign that this bias might not be so severe. The second bias relates to socially desirable answers, meaning that when replying to questions concerning beliefs about sustainable development and attitudes towards CSR students might have a tendency to bias their answers towards what is considered socially acceptable. In order to reduce the probability for the respondent to check the first and socially desired box the negative end of the scale is presented first (Flink, 1995b; p. 53). Also, the survey is anonymous which is stressed in the introduction letter. However, the fact that almost all respondents wrote their email address at the end of the survey indicated that the issues questioned might not be as sensitive as initially was believed.

3.2.7 Data processing

The data processing began with a quantitative analysis of the percentage of men and women in the sample in order to establish if the sample was representative of the population of top students in Bangalore. A few remarks on this analysis can be made. Firstly, first year students

responded to a greater extent than the second year students. In the PGP, program¹² the first year students account for 52 percent of the respondents from IIMB and not 34 percent, which would have been the case if an equal proportion in all programs had completed the survey. The respondents in the PGSEM¹³ program behave in a similar fashion and the first year is overrepresented compared to the second year. In both groups men have answered to a greater extent than women. The overrepresentation of men is around 10 percent and not extreme but suggests that comparisons by sex should be interpreted with some caution. However, in a broad sense, the sample is considered representative of the student body of the two schools, IIMB and IITB (see appendix 4). Furthermore, no difference was detected between respondents answering the survey in one, two, or three sessions.¹⁴ In addition, no difference between those that did not complete the survey and those who did could be detected for the first questions.¹⁵ In order to evaluate the internal consistency, the Cronbach's alpha¹⁶ was calculated for the three different scales following each question. In the initial analysis, data from the two different schools, IIMB and IITB, were treated separately. Cronbach's alpha reached over 0.9 for all questions for both schools. The high Cronbach alpha indicates that respondents understood and answered the questions in a consistent way. Consequently, a mean is calculated from the answers each respondent indicated on the three scales following each question. Then a t-test is used to see if the means are different between beliefs, attitudes, intentions and estimations between IIMB and IITB. The t-test could not reject equal means and consequently the data from the two different schools can be pooled. A new Cronbach's alpha was calculated for each question in the pooled data. All Cronbach's alphas were above 0.9. Consequently, a new mean was calculated for each question.

A factor analysis was then performed on the data on beliefs to see if the data supported an environment and a social dimension of CSR as discussed in 4.1.1. Factor analysis is a useful tool in order to examine the underlying patterns and relationships among a large number of variables and to determine if the variables can be summarized into a smaller set of factors (Hair et al, 1998; p. 88). These factors are derived from a simultaneous analysis of the correlation structure in the group of variables under consideration (Hair et al, 1998, p. 90). Factor analysis is used in this study for two reasons. Firstly, a confirmatory factor analysis is used to confirm or reject the hypothesis that respondents make a difference between social and environmental issues (Hair et al, 1998, p. 91). In other words, the social and environmental questions should largely load onto two different factors (Hair et al, 1998, p. 91). Secondly, the results from the factor analysis are used indirectly as an indication of the appropriateness of creating two composite measures, one representing social beliefs and one representing environmental beliefs (Hair et al, 1998, p. 116).

Factor analysis can be used even though the data is not normally distributed. However, factor analysis requires that correlations between groups of variables are present. (Hair et al, 1998;

¹² Post graduate program in management

¹³ Post graduate program in enterprise management

¹⁴ T-tests were used for the variables Beliefs, Attitudes, and Intentions in Figure A2 in Appendix 2.

¹⁵ T-tests were used for Q1, Q2 and Q3.

¹⁶ Statistical measure for internal reliability.

p. 99). The partial correlations¹⁷ should be small and the Pearson correlations should be present in a significant number to verify the appropriateness of factor analysis (Hair et al, 1998, p. 99). Partial correlations are relatively small among the variables in data set (a) (most below 0.1, all below 0.5) and a number of significant correlations are visible (4 above 0.3). In data set (b) most partial correlations are small (most below 0.1, all below 0.3) and a substantial number of significant correlations are present (18 correlations above 0.3). The low partial correlations and the high Pearson correlations suggest that factor analysis can be used.

After the factor analysis, composite variables were created. These composite variables are used to verify or reject the posed hypotheses and investigate the respondents' beliefs, attitudes, intentions, and estimations.

Several general qualitative hypotheses have been stated from theory or previous research. These main hypotheses are referred to as H1, H2, H3, HE4, HE5, and H6. To verify each of the general or qualitative hypotheses, several statistical or quantitative hypotheses are constructed. These are referred to as H1a, H1b,... H2a, ..., H6k, H6l. All hypotheses are tested on a 5 percent significance level, unless otherwise stated. The quantitative hypotheses are analyzed through statistical tests. Broadly speaking, the tests are used to test significance in order to verify or falsify the null hypothesis (Gujarati, 2003, p. 129). As discussed in the section on scaling, the threshold between positive and not positive¹⁸ is set to 3.4. All tests by default test if the mean is above 3.4 or if the proportion of positive respondents is above 0.5. When a comparison with previous polls is made, the threshold may be modified, to allow comparison.

To determine which statistical tests to use, the normality of the composite variables are investigated through a Kolmogorov-Smirnov test. Although the mean value may well be normally distributed, the underlying distribution, which the mean is to represent the trend in, is most likely distorted if it is not normal. Most likely, the distribution has been truncated by the use of an inappropriate scale. Normally distributed data is a prerequisite for t-tests, which is one of the preferable tests for the scales used, as discussed in section 3.2.4. If a variable is found to be non-normally distributed, non-parametric tests will be used. The idea is that information that is more relevant can be extracted by collapsing the differential scale into ordinal scales and investigating ranks, which is the result of the non-parametric tests used. When data is not normally distributed, Mann-Whitney's U-test is used to tests for differences between groups and Wilcox paired sample test is used to see if respondents value social and environmental aspects of CSR differently. Furthermore, Krushkal-Wallis test is used to test for differences between more than two groups when data is not normally distributed. Finally, for both normal and non-normally distributed data, population proportion tests are used to both indicate general trends in the data and to compare results from our survey with results from previous surveys.

¹⁷ The Pearson correlations and partial correlations (anti-image) were verified in SPSS. The tables are not included in this text.

¹⁸ Not positive includes both negative and neither positive nor negative.

3.3 Interviews

Given that one of the aims of this study is to investigate the implications of the results from the attitude study on the CSR strategy of MNCs in Bangalore, a complementary qualitative study was considered appropriate (Trost, 2005; p. 7). To find out how firms in the region worked with CSR and with the recruitment of new graduates, several interviews were conducted. The questions were brief and designed to allow the interviewee to freely discuss around the aspects of CSR considered relevant for the particular firm. All interviewed firms intended to recruit from IIMB or IITB, operates in Bangalore, are MNCs, international and had well-developed work with CSR.-strategy.

Furthermore, all interviews were recorded and both authors of this paper were present during all interviews. Most interviews were conducted at the interviewee's office, but a small number were conducted by telephone. Since the aim is to uncover new as well as to confirm old CSR-trends in India, the firms interviewed have been chosen not only because they were considered as representative future employees of the survey respondents, but also because to represent both the IT- and telecommunication sector, the high-tech manufacturing sector and the financial service sector in Bangalore. By increasing heterogeneity in the selected sample of firms, the likelihood of finding new information about CSR should increase. (Trost, 2005; p. 117).

The information gathered through the interviews is used to discuss possible implications of the survey's results on corporations. A few main interview answers are classified into yes, no, or undecided, whereas the remaining data is used together with data from other studies as a base for discussion (see appendix 3).

3.4 Reliability

3.4.1 Reliability of the survey

Reliability refers to the degree to which a measure is free from variable errors (Ajzen and Fishbein, 1975; p. 107). According to Fishbein and Ajzen (1975), reliability is not a major problem if the appropriate instruments are used to measure beliefs, attitudes and intentions (p. 168). Several methods have been applied to increase the reliability of the study. A standard attitude scale and a semantic differential scale have been used. According to Ajzen and Fishbein (1975) standard attitude scales should give a high reliability (p. 108).

The internal reliability is measured by the statistical measure Cronbach's alpha (internal consistency) between the three different scales which are presented after each question. (Söderlund, 1995; p. 143). The three answering possibilities aim to measure the same belief or attitude. In research, a Cronbach's alpha around 0.7 is considered acceptable. In the survey, all 28 Cronbach's alphas were above 0.9, which indicates a high reliability. (Söderlund, 1995; p. 145).

3.4.2 Reliability of interviews

According to Trost (2005), it is important to conduct interviews such that the information received from different interviews is comparable. In other words, the reliability of the interviews is of interest (Schmidt and Hunter, 1998; p. 262). A structured approach increases reliability. Accordingly, all interviewees were asked the same set of questions. The interviews can be classified as semi-structured (Kahlke and Schmidt, 2006; p. 153). Two further strategies were used to increase reliability. Firstly, questions from the interviewee were taken at the end of the interview. Secondly, the length of the interview were kept at between half an hour to one hour, a length considered appropriate (Campion, 1998; p. 79).

However, reliability may be questioned due to the fact that some interviews were conducted by phone, while others were conducted physically. Also, the interviewer was not always the same person in all interviews, which may further lower reliability. Thus, caution should be used when comparing data from different interviews (Campion, 1998; p. 79).

3.5 Validity

3.5.1 Validity of survey

The validity of the study refers to how well it measures what it is set up to measure (Litwin, 1995; p. 33). A low validity produces uncertainty about how the measure is related to reality (Söderlund, 2007; p. 149). The validity is negatively affected by bias in the survey data. Several steps were taken to minimize bias as discussed in section 3.2.6 above. The background variables included in the survey were also used to detect possible bias in the data, described in section 3.2.7. Furthermore, statistical tests were used to verify validity of the survey as described in more detail below.

Content validity refers to a subjective evaluation of the extent to which a measure relates to the theoretical variable which the measure was intended to quantify (Söderlund, 1995; p. 153). The survey has been developed from the Theory of Reasoned Action. Since standard scales or variables¹⁹ have been used to measure beliefs, attitudes and intentions, the content validity is considered to be high.

A measure of construct validity is used to determine how the observed data corresponds to various theoretical variables. Two sets of theoretical variables are present in the survey: the Triple Bottom Line variables and the Theory of Reasoned Action variables. For the Theory of Reasoned Action variables, the construct validity is verified by studying the correlation between the beliefs, attitudes, and intentions (nomological validity) (Söderlund, 1995; p. 156). A correlation over 0.5 is considered high (Söderlund, 1995; p. 154). All correlations illustrated in table 3 are significant and the correlation matrix shows that there is a correspondence between beliefs, attitudes, and behavioral intentions or estimations. As discussed in section 4.1.3, the variables are not normally distributed for attitudes and intentions and therefore

¹⁹ For beliefs: disagree-agree, false-true, unlike-like, for attitudes: bad-good, unfavorable-favorable, disapprove-approve, for intentions: improbable-probable, not want-want, not intend-intend

Spearman correlations are used. In other words, the results suggest that the Theory of Reasoned Action is able to capture Indian top student's beliefs, attitudes, and intentional behavior towards a future employer doing none, intermediate, or more encompassing CSR-work.

Table 3: Correlations between Beliefs, Attitudes, Intentions, and Estimations

	Beliefs	Attitudes	Intentions	Estimations
Beliefs	1	0.345**	0.218**	0.241**
Attitudes		1	0.211**	0.241**
Intentions			1	0.718**
Estimations				1

Note: Spearman correlations marked ** at the 0.01 level (2-tailed)

The correlations are significant but not as high as initially assumed. A reasonable explanation for the lower correlations might be that in our study the object changes when passing through the three different stages beliefs-attitudes and intentions. As earlier discussed the fact that the object changes through the stages is within the wider boundaries of the model.

Furthermore, the appropriateness of the Triple Bottom Line dimensions chosen to represent social and environmental aspects of CSR was verified through factor analysis (discriminative validity) (see section 4.1.1) (Söderlund 1995; p. 156).

By using measures of construct validity (nomological, convergent, and discriminative), together with the background variables plus the fact that standard variables have been used the validity of the survey is rather well verified. Unfortunately it was not possible to investigate the criterion validity, due to the limited time for the study and the fact that no other directly comparable study has been found. However, some comparisons will be made with the IIMB poll from 2001 (Balasubramanian, 2005)

3.5.2 Validity of interviews

The predictive validity from the interviews is increased by making sure that the information received from different interviews is relevant to the study (Schmidt and Hunter, 1998; p. 262). Accordingly, the questions were constructed after an initial study of previous studies and polls, and the questions were phrased to be relevant in an Indian context. This approach strengthens the validity of the interviews. Also, the fact that the interviews were of a reasonable length should increase validity further (Campion, 1998; p. 79). Finally, comparing the data from the interviews with earlier polls and studies provides a validity check.

However, the results from the interviews must be interpreted with caution. Firstly, interviews with a person or persons working with CSR within companies were not conducted at the top management level, and this may have limited the interviewee's ability to discuss the overall CSR-work. Secondly, in most cases only one interview was conducted at each firm. Thirdly, the sample of firms chosen may not be representative of all MNCs with a CSR-policy in Bangalore. Nevertheless, although these caveats are present, the interviews are thought to provide valuable material for a discussion of strategic implications of students' attitudes towards CSR-strategy in Bangalore.

4. Results and analysis

The analysis and result chapter has the following structure. Initially, a factor analysis of the data is presented and composite variables are created. Composite variables are tested for normality to decide which statistical tests should be used. Thereafter the beliefs are investigated, separated into general beliefs on sustainability and beliefs concerning the ability of a firm to improve on these issues. The hypothesis testing of beliefs is followed by an analysis of the results. Then hypothesis of attitudes towards CSR-strategy are tested followed by a discussion on attitudes. Finally, expected behavior is tested through intentions and estimations. The hypothesis testing of intentions is followed by a discussion on intentional and estimated behavior. For each main hypothesis tests are conducted to see if there are differences with regard to the social and environmental factors and between men and women

4.1 Preliminary analysis

4.1.1 Factor analysis

The beliefs in question battery one contained one set (a) of questions on sustainability, i.e. environmental and social problems, and one set (b) of questions on the scope of CSR, i.e. to what the extent firms could help solve these environmental and social problems. The factor analysis was conducted on each of these sets separately. Factors were extracted through a Principal Components Analysis, in which uncorrelated linear combinations of the observed variables are constructed (SPSS 14.0). Following recommendations by Edlund (2006), only factors with an eigenvalue or latent root larger than one was extracted. In other words, only factors which explained at least the variance of a single variable was extracted (Hair et al.; 1998; p. 103). The orthogonal rotation method VARIMAX was used to identify a meaningful pattern in the factors. VARIMAX minimizes the number of variables that have high loadings on each factor (Hair et al, 1998 p. 114). The initial results are presented in table 4 and 5.

Table 4. Rotated Component Matrix (set a)

	Component	
	Social	Environmental
Q1		0.759
Q3	0.303	0.383
Q5		0.768
Q7		0.630
Q9	0.681	
Q11	0.687	
Q13	0.738	
Q15	0.795	
Variance explained	17.69	33.07

Note: values below 0.3 have been suppressed.

Table 5: Rotated Component Matrix (set b)

	Component	
	Social	Environmental
Q2		0.643
Q4		0.771
Q6		0.755
Q8		0.706
Q10	0.482	0.342
Q12	0.730	0.321
Q14	0.789	
Q16	0.848	
Variance explained	15.28	42.59

Note: values below 0.3 have been suppressed.

The factor loadings in the table 4 and table 5 refer to the role each variable (Q1, Q3,...,Q15 for sustainability in general and Q2,Q4,...,Q16 for the firm's role in sustainability issues) plays

in defining the corresponding two factors (social and environmental). The variation explained is given at the bottom of table 4 and 5 and quantifies how much variation in the original variables a factor can explain. The factor loadings are simply the correlation of each variable and the factor. A high loading makes the variable representative of the factor (Hair et al, 1998 p. 106). Our overall goal is to find variables, which measure either environmental or social aspects and therefore primarily load onto one dimension. When studying table 4 and table 5, two questions stand out (do not correspond to the expected factor in figure 4 and 5): Q3, which refers to energy efficiency, and Q10, which refers to discrimination by gender and cast, restated below for convenience.

Q3: “I believe non-efficient energy usage to be a major problem in the region I live”

Q10: “I believe gender- and caste-based discrimination is a major problem in the region I live”

Several explanations for why these two questions give an ambivalent result have been identified. Q3 is rather unclear. The meaning of efficient energy usage was not stated. Furthermore, the connection between efficient energy usage and the environment was not as clear as the content of the other environmental questions. According to Sejppy²⁰ there is a lack of awareness of energy efficiency in India. The Indian public do not really understand the concept of energy efficiency; why they need to save power. Especially the urban upper class does not really see energy efficiency as a problem. They are not affected by the flaws in the supply of electricity.

Discrimination according to gender and caste did not follow the expected pattern meaning that it did not significantly contribute to explain the social factor. Also there was not a significant difference between men and women in the response to this question. However, from a caste discrimination perspective the result is not surprising. Assumingly, higher casts tend to answer that discrimination is not a problem while lower casts might identify discrimination as a problem. This trend is also stressed when investigating the variances; question 10 receives the largest variance. The investigated sample contains individuals from almost all casts, partly due to a quota system used by the university to increase diversity.

Since Q3 will be dropped, the corresponding question from set (b), Q4, will also be dropped. Similarly, since Q10 will be dropped, the corresponding question from set (a) will be dropped.

Now, two composite measures are to be created: one representing the social dimension and one representing the environmental dimension. A composite measure is usually constructed out of variables with a high²¹ loading, i.e. above 0.7, in a single factor (Hair et al, 1998, p. 111, 116). Furthermore, the variables included should be representative of only one dimension, i.e. variables with high loadings on both dimensions should be excluded (Hair et al, 1998; p. 116). The results from a rerun of the previous factor analysis without Q3, Q4, Q9, and Q10 are

²⁰ Interview, Sejppy, Suddha. Alliance to Save Energy, 4th of May 2007.

²¹ What loading is regarded as high depends on the context. Whereas a loading below 0.3 is generally regarded as insignificant, a loading above 0.5 is considered practically significant. A loading above 0.7 is highly significant and accounts for more than 50 percent of the variance in the variable (Hair, 1998; p. 116).

showed in table 6 and table 7. The results of the modified factor analysis show a distinct grouping of highly significant social and environmental variables.

Table 6: Rotated Component Matrix (set a)

	Component	
	Social	Environmental
Q1		0.739
Q5		0.763
Q7		0.695
Q11	0.714	
Q13	0.820	
Q15	0.832	
Variance explained	22.12	33.86

Note: values below 0.3 have been suppressed.

Table 7: Rotated Component Matrix (set b)

	Component	
	Social	Environmental
Q2		0.706
Q6		0.796
Q8		0.794
Q12	0.712	0.354
Q14	0.786	
Q16	0.873	
Variance explained	17.68	40.35

Note: values below 0.3 have been suppressed.

Since the loadings are indeed high and roughly equal (around 0.75) in table 6 and Table 7 composite variables can be created by taking the mean of the variables. In other words, the variation of the variables thought to represent social aspects and the variation of the variables thought to represent environmental aspects are located largely in two different dimensions²². Although not all variation is accounted for by these two factors or dimensions, the results suggest that the variables do indeed capture and describe distinct aspects of CSR.

A summated scale should reduce measurement error as well as allow for a more concise representation of beliefs about sustainability issues and the scope of CSR (Hair et al, 1998; p. 116-117). Consequently, composite variables for beliefs are created from the mean of the respondents' indicated beliefs. The composite variables are used to capture various aspects of CSR and are described in section 4.1.2 below.

4.1.2 Composite variables

As shown in table 6 and 7, general beliefs about sustainability are captured through Q1, Q5, Q7, Q11, Q13, Q15 whereas beliefs about firms' ability to improve sustainability is captured through Q2, Q6, Q8, Q12, Q14, Q16. Furthermore, social sustainability and firms' ability to improve social sustainability is captured through Q11, Q13, Q15 and Q12, Q14, Q16 respectively. Similarly, environmental sustainability and firms' ability to improve environmental sustainability is captured through Q1, Q5, Q7 and Q2, Q6, Q8 respectively.

General attitudes towards CSR-strategy are captured through Q17, Q18, Q21, Q19, and Q20. Attitude towards environmental CSR-strategy is captured by Q19, Q20 and attitude towards social CSR-strategy is captured by Q18, Q21. After an in-depth study questions Q24 and Q25 were dropped since they were captured in the general attitudes Q17, Q18, Q21, Q19, Q20 (see appendix 2).

²² I.e. along two different principal component axes.

Part III of the questionnaire is slightly differently constructed. Intentions to apply to a firm are captured through Q27b and Q27c and the estimations of the probability of actually applying to the same firm are captured by Q27a. Furthermore, respondents are allocated into different groups (id) and presented different job-offers. Different responses to job offers with social and environmental CSR (id 1), no CSR (id 2), only environmental CSR (id 3), and only social CSR (id 4), is captured by testing the respondents groups (id1, id2, id3, id4) against each other.

4.1.3 Selection of tests

Before statistical tests are applied to the data, it is important to consider if the assumptions behind the tests are in fact supported by the data. Given the semantic differential scales used in our survey, t-tests are preferable to test for differences in means for the entire sample, groups within the sample, and individual's answers in different parts of the questionnaire. The t-test assumes that samples are sampled from normal or at least symmetric and, in the case of tests between different groups, homogeneous distributions. If the groups are non-homogenous, a modified t-test, which assumes unequal variances, can be used.

A Kolmogorov-Smirnov test is used to test if the normality assumption is supported by the data. (SPSS, 2007) If the normality assumption does not hold for a certain part of the questionnaire, this could suggest an incorrect specified scale. In other words, too many extreme values suggest that the scale did not include the entire spectrum of the respondents' beliefs, attitudes, or intentions. Still, valid information is likely to be present in the data but since the normality assumption does not hold, non-parametric tests will be used. In table 8, the normality assumption does not hold for most questions in battery II and III. Consequently, non-parametric tests will be used to analyze these parts. Note that even if the variables were found to be non-normally distributed, the large sample suggest that the estimator of the mean would be normally distributed and t-tests would therefore strictly speaking not be wrong, but the results will reflect the distortion in the underlying distribution. In appendix 5, the t-tests that could have been used are provided for battery II and III are provided.

In this survey, discrete semantic differential scales have been used. The scales are such that they can also both be interpreted and converted into ordinal scales in which respondents rank various aspects of CSR. In other words, if a respondent indicated a 3 on a question on attitude towards social CSR and a 5 on attitude towards environmental CSR, then the respondent is regarded to value environmental CSR higher than social CSR. For ordinal scales, a Mann-Whitney U-test may be used (Söderlund 2005; p. 105). Consequently, the Mann-Whitney U-test is used to test for differences between groups when the normality assumption is not supported by data. To test for general trends and to compare our results with previous studies, tests of population proportions are used.

Table 8: Tests used to analyze if data supports the hypotheses

Variables Keywords about composite variables from appendix 2		Normal ^{a)}	Test-type Hypothesis	Population trend	Differences between groups (genders or id)	Paired samples (individual respondents)
Beliefs sustainability		Yes	H1a, H1b, H1c	t-test	t-test	
Beliefs sustainability, social minus environment		Yes	H1d			Paired samples t- test
Beliefs firms		Yes	H2a, H2b, H2c		t-test	
Beliefs firms social minus Beliefs firms environmental		Yes	H2d			Paired samples t- test
Attitudes		No	H3a, H3b	Population proportion test	Mann-Whitney's U- test (gender)	
Attitudes social minus attitudes environmental		No	H3c			Wilcox paired sample test
Attitudes law		No	HE5a, HE5b	Population proportion test	Population proportion test (no source data for one group available)	
Attitudes international firms		No	HE4a, HE4b	Population proportion test		
Intentions Estimations	ID 1	No	H6a,		Mann-Whitney's U- test (id 1-2/gender) Kruskal-Wallis test (id 2,3,4)	
	ID 2	No	H6c, H6d			
	ID 3	No				
	ID 4	No				
	ID 1	Yes	H6b,			
	ID 2	No	H6e, H6f			
	ID 3	No				
	ID 4	No				

a) Kolmogorov-Smirnov test, 5 percent significance level

4.2 Beliefs

In this section, the general beliefs about sustainability and beliefs regarding the firm's ability to improve sustainability measures are investigated. The hypotheses in this section refer to the first battery in the questionnaire, i.e. question 1 to question 16, excluding questions 3, 4 and 9, 10 as argued for in section 4.1.1 on factor analysis.

4.2.1 General Beliefs

H1	There is a general belief that sustainability is a problem.
----	-------------------------------------------------------------

According to the Theory of Reasoned Action, beliefs about an object attribute influences the attitudes toward that object, therefore the general beliefs about sustainable development will be investigated to capture the attitudes toward CSR. Previous studies and recent developments in India have shown an increased awareness of sustainability issues. The population in our survey can therefore be expected to have positive attitudes towards CSR issues.

H1a₀ The mean belief is that sustainability issues is not a problem (mean ≤ 3.4)

H1a₁ The mean belief is that sustainability issues is a problem (mean > 3.4)

Questions	Obs mean (std)	t-value	p-value	Result
Q1,Q5,Q7,Q11,Q13,Q15	3.70 (0.71)	6.06	0.00	H ₀ rejected

The results show that the null hypothesis can be rejected. A mean value is a good measure of a general trend in the population. The result is in line with findings in previous studies indicating that sustainability issues are perceived as a problem in India today. However, when comparing with earlier studies, the mean may be misrepresentative. The IIMB poll measured similar beliefs and found that 6 out of 10 were positive, but used a different scale. In order to compare the beliefs among the respondents in this study with the measured beliefs in the IIMB poll from 2001, the respondents' beliefs are here dichotomized into two categories: agree and not agree. The latter category includes the zero or midpoint, i.e. the respondents that indicated that they neither agreed nor disagreed, as well as those that disagreed. The threshold is set at 3.4, as pointed out earlier.

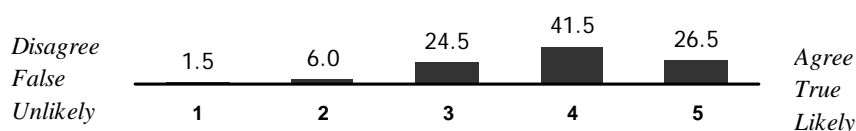
H1b₀ Less than 6 out of 10 believe that sustainability issues are a problem ($f \leq 0.6$)

H1b₁ More than 6 out of 10 believe that sustainability issues are a problem ($f > 0.6$)

Questions	N	Obs fraction f	p-value	Result
Q1,Q5,Q7,Q11,Q13,Q15	200	0.68	0.0040	H ₀ rejected

The results show that the null hypothesis that less than 60 percent of the population has positive beliefs towards sustainable development can be rejected. Hence, more than 60 percent identify sustainability issues as a problem.

Figure 3: Respondents' beliefs about sustainability problems (in percent; H1a-b)



The data in figure 3 supports H1a and H1b and shows a strong belief that sustainability issues are a problem. Few respondents indicate that sustainability issues are not a problem; about a quarter appear to be indifferent while the majority, more than two thirds, indicates that sustainability issues are a problem.

H1c ₀	Beliefs about sustainability do not differ by genders ($\mu_w = \mu_m$)				
H1c ₁	Beliefs about sustainability differ by genders ($\mu_w \neq \mu_m$)				
Questions	Obs diff (std diff)	t-value	p-value	Result	
Q1,Q5,Q7,Q11,Q13,Q15	0.46 (0.16)	2.87	0.0045	H ₀ rejected	

Previous empirical studies suggest that women are more ethically inclined than men (Albaum and Peterson, 2006; p. 300). A Levene's F-test was used to see if the variances were equal for the two sexes. The conclusion was that equal variances could not be rejected. Consequently H1c was tested through a t-test assuming equal variances. The null hypothesis that men and women have equal beliefs about sustainability issues could be rejected. Surprisingly, the mean for men was 3.75, which is significantly higher than for women, 3.29. Even though the null-hypothesis was rejected, there are differences by gender which went contrary to expectations .

H1d ₀	A respondent's belief about social issues is equal to a respondent's belief about environmental issues (social - environmental = 0) paired sample test				
H1d ₁	A respondent's belief about social issues is not equal to a respondent's belief about environmental issues (social - environmental \neq 0) paired sample test				
Questions	Obs diff (std diff)	t-value	p-value	Result	
Q1,Q5,Q7 against Q11,Q13,Q15	-0.39 (1.10)	5.02	0.00	H ₀ rejected	

From the 'Triple Bottom Line, two dimensions of sustainable development and CSR are identified: social and environmental. The assumption was also made that the social dimension should be rated as more important than the environmental. A paired sample t-test is used to compare respondents' indicated social and environmental beliefs. According to H1d, the null hypothesis that social and environmental are viewed as equally important can be rejected. However, the results are not in line with the initial assumption that social issues would be perceived as more important. Instead, environmental issues are listed as more important.

4.2.2 Beliefs about sustainability and the role of the firm

H2	There is a belief that firms can improve sustainability issues.
----	-----------------------------------------------------------------

H2 investigates the beliefs about firms' role in sustainability issues. Based on previous studies, discussed in section 2.2.2, the population in the survey was expected to have positive beliefs about corporations' possibilities to make a difference in sustainability issues.

H2a ₀	The mean belief is that firms can not improve sustainability issues ($\mu \leq 3.4$)				
H2a ₁	The mean belief is that firms can improve sustainability issues ($\mu > 3.4$)				
Questions	Observed mean (std)	t-value	p-value	Result	
Q2,Q6,Q8,Q12,Q14,Q16	3.76 (0.75)	6.70	0.00	H ₀ rejected	

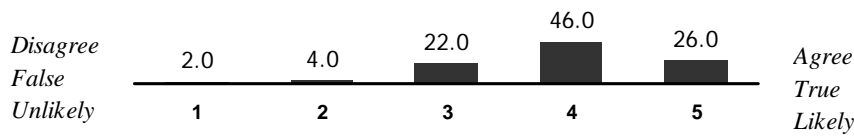
The null hypothesis that the mean is lower than 3.4 can be rejected, which implies a positive belief about a firms' ability to improve sustainability issues. H2b tests if more than half of the

respondents believe firms can improve sustainability issues and can be seen as complementary to H2a.

H2b ₀	Less than 5 out of 10 believe that firms can improve sustainability issues ($f \leq 0.5$)			
H2b ₁	More than 5 out of 10 believe that firms can improve sustainability issues ($f > 0.5$)			
Questions	N	Obs fraction f	p-value	Result
Q2,Q6,Q8,Q12,Q14,Q16	200	0.68	0.00	H ₀ rejected

H2b shows that more than 5 out of 10 have positive beliefs about the firm's capacity to improve sustainability issues. Hence, the null hypothesis is rejected.

Figure 4: Beliefs about firms' ability to improve sustainability problems (in percent; H2a-b)



As illustrated in figure 4, the students are positive towards firms' involvement in CSR issues. A frequency of 92/200 responded 4 and 52/200 responded as high as a 5. The answers are as predicted and similar to those given in question H1a-b.

H2c ₀	Beliefs about firms' ability to improve sustainability do not differ between genders ($\mu_w = \mu_m$)			
H2c ₁	Beliefs about firms' ability to improve sustainability differ between genders ($\mu_w \neq \mu_m$)			
Questions	Observed diff (std diff)	t-value	p-value	Result
Q2,Q6,Q8,Q12,Q14,Q16	0.46 (0.17)	2.70	0.0076	H ₀ rejected

An F-test was conducted to test if the variances were equal which could not be rejected. Thereafter a t-test with equal means gave the results presented above. The conclusion was that the beliefs did indeed differ. However, just as for hypothesis H1c, women tended to be significantly more doubtful than men regarding the power of the firms to make a difference in solving sustainability issues.

H2e ₀	A respondent's belief about social issues is equal to a respondent's belief about environmental issues (social - environmental = 0) paired sample test			
H2e ₁	A respondent's belief about social issues is not equal to a respondent's belief about environmental issues (social - environmental \neq 0) paired sample test			
Questions	Obs diff (std diff)	t-value	p-value	Result
Q1,Q5,Q7 against Q11,Q13,Q15	-0.056 (0.90)	-0.88	0.38	H ₀ not rejected

The null hypothesis that respondents believe firms have an equal ability to improve social and environmental issues could not be rejected. Whereas the respondents appear to perceive environmental issues as a greater problem than social, they appear to believe that firms can make a difference in both social and environmental concerns.

4.2.3 Discussion on beliefs

In accordance with the main hypothesis, general beliefs about sustainable development are as expected positive. The mean was significantly higher than 3.4 and almost 68 percent of the students indicated a four or five. These results are in line with the earlier IIMB survey (2001) which concluded that 48 to 77 percent of the students agree that these issues²³ are of major concern (Balasubramanian, 2005; p. 84). The results on the general beliefs on the importance of firms' involvement in these issues followed a similar pattern, with strong beliefs that firms can help to improve sustainability issues. The conclusions in the TERI-Europe Poll of 2001 are somewhat in line with these results. According to that study a majority of the general public feels that companies should be held fully responsible for areas in which they have direct control.

Previous empirical results suggested that women tend to be more ethically inclined than men. Surprisingly, the results from our survey go in the opposite direction. Men are significantly more positive towards sustainability in general as well as the ability of firms to improve social and environmental conditions. However, a caveat is in order. The number of women in the sample is small both in absolute number (21 women as compared to 174 men) but also as discussed earlier are under representative when comparing with the percentage of women in the total sample and the results must thus be interpreted with caution. A few individual's negative views can have a large impact on the data outcome. However, a lower response rate among women would suggest a positive bias in this group instead of a negative, as discussed in section 3.6, since those interested in CSR are more likely to respond to the survey. When studying frequencies, another explanation for the less positive beliefs among women emerges. Women appear to be less inclined to extremes and less reluctant to indicate answers on the ends of a scale than their male counterparts. In the questions responding to general beliefs of sustainable development, only one woman answered a five while 11 out of 21 responded a four. A similar pattern holds for beliefs on firms' role in improving sustainability in which none of the women responded a five but 11 out of 21 responded a four (52 percent). Almost one out of three men answered a five in both the general belief questions and the questions on firms' role in improving sustainability. These results are interesting since the US study (Albaum and Peterson, 2006) showed the opposite result with women taking a more positive stand on sustainability than men. Due to the small sample of women in the present study the result must be interpreted with caution.

The assumption was made that social issues would be perceived as more important than environmental based on the historical social involvement of Indian firms and on the emergent social problems in India. Evidently, this assumption was wrong. It actually turned out to be the other way around, environmental issues were perceived as more important. However, the trust in firms' capacity to involve themselves in environmental and social problems weighted equally, maybe a consequence of the tradition of social engagements by Indian firms.

The investigated sample consisted of urban and well educated individuals and is not representative of the general Indian population as the students are socially privileged

²³ Note that poverty was not included in the IIMB survey.

compared to the rest of the Indian society. For the persons investigated, the access to education and health and poverty concerns do not affect their every-day life to the same extent as environmental problems such as pollution. However, the variables chosen for social problems were selected based on the problem of the general public and not the privileged, simply due to the fact that a firm's external CSR-strategy targets the underprivileged rather than the privileged. As stressed earlier, for future business leaders it is therefore important to investigate the beliefs of the problems in society rather than for the concerns in a privileged group.

The younger generation may also have been more exposed to the recent environmental debate than the population in general. The environmental issues have been exceptionally exposed in public media during the past years discussion on global warming.

4.3 Attitudes

In this section the attitudes to CSR are investigated. First, the general attitudes to CSR are studied. Second, the attitudes towards the MNCs are investigated. Third, attitudes to legislation as a way to implement CSR are evaluated. The attitudes towards CSR are measured in question battery II, i.e. question 17 to question 26.

4.3.1 Attitudes towards CSR

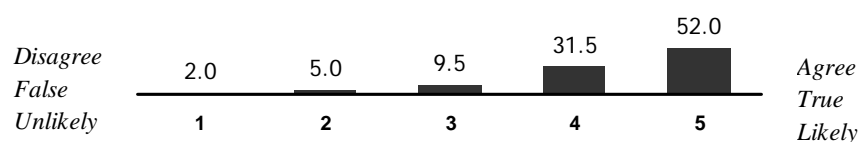
H3	There is a positive attitude towards CSR.
----	-------------------------------------------

Whereas beliefs towards sustainability and firms' ability to solve sustainability problems were investigated in section (4.2), here attitudes towards a future employers' CSR work are investigated. According to the Theory of Reasoned Action, positive beliefs towards an object's attributes lead to a positive attitudes towards the same object. Since the normality assumption was rejected for this part of the survey, a test on population proportion (fraction f) will be used to see if more than half of the population has positive attitudes towards CSR. Note that the threshold between those that are concerned and the respondents that are not concerned (or indifferent) is set to 3.4, as discussed earlier.

H3a₀	Less than 5 out of 10 are concerned about sustainability issues ($f \leq 0.5$)			
H3a₁	More than 5 out of 10 are concerned about sustainability issues ($f > 0.5$)			
Questions	N	Obs fraction f	p-value	Result
Q17,Q18,Q19,Q20,Q21	200	0.63	0.00	H ₀ rejected

The null hypothesis can be rejected. Hence, more than half of the population in our survey are positive towards CSR, which was also assumed beforehand and predicted by the Theory of Reasoned Action; positive beliefs leads to positive attitudes.

Figure 5: Attitudes towards CSR (in percent; H3a)



In figure 5, the results are illustrated as frequencies in percent. When comparing the results in figure 5, it is clear that the students' positive attitudes towards CSR are stronger than their beliefs about sustainability. The questions about attitudes were phrased differently than those about beliefs. Beliefs were measured on a more general level, whereas attitudes were measured relative a respondent's hypothetical future employer. The difference in phrasing the questions might have had a positive bias on the result. However, the conclusion remains; there is a positive attitude towards CSR among the students. Many earlier studies have asked questions similar to Q17 in our survey, i.e. if respondents think firms have a broader responsibility beyond profit-maximization. In our study, 82 percent of the respondents indicated a positive attitude to firm taking a wider responsibility than profit-maximization.

In the Millennium poll, India was found to be one of the countries with the highest percentage of respondents believing that firms should not go beyond profit maximization, providing jobs, and obeying laws. However, in the IIMB poll from 2001, almost 76 percent of the respondents are reported to view CSR as a "cost of operation, not as an appropriation of profits" (Balasubramanian, 2005; p. 84). Furthermore, 86 percent of the respondents in the IIMB poll agreed that "corporations must discharge social responsibility obligations" (Balasubramanian, 2005; p. 84). Previous surveys tend to report answers in dichotomized form, i.e. yes and no. However, no exact figure is reported by the IIMB poll. By defining respondents who have indicated a 3.4 as positive, the upper and lower bound of a 95 percent confidence interval for the proportion of the population with a positive attitude towards CSR in our survey is given by 0.77 and 0.87 respectively. Although a direct comparison is not possible, since the figure from the IIMB poll is both rounded and has been arrived at through a differently²⁴ administered survey and differently worded questions, the results appear to be consistent on a general level.

H3b investigates if attitudes towards CSR differ by gender. Since attitudes were not normally distributed, a Mann-Whitney U-test is used.

H3b₀ The attitudes towards CSR do not differ by gender

H3b₁ The attitudes towards CSR differ by gender

Questions	Mann-Whitney U	Z-value	p-value	Result
Q17,Q18,Q19,Q20,Q21	1878.500	-0.0040	1.00	H ₀ not rejected

The null-hypothesis of equal means cannot be rejected. H3b indicates that attitudes towards CSR are not different between men and women. The assumption that there would be a difference according to gender is thus not supported.

H3c₀ A respondent's attitude towards social and environmental CSR do not differ

H3c₁ A respondent's attitude towards social and environmental CSR differs

Questions	Wilcoxon Signed Ranks test	p-value	Result
Q18,Q21 against Q19,Q29	Z = -2.582	0.0095	H ₀ rejected

The long-term engagements in social concerns by Indian firms suggest a more positive attitude towards corporations' engagement in social issues would be found. H3c can be

²⁴ Since the IIMB poll used posted survey invitations in online communities whereas our survey used a direct invitation, a positive bias is likely to be present to a greater extent in the IIMB poll.

rejected. However, similarly to the results for beliefs, the environmental aspect was ranked significantly higher than the social, a result that runs contrary to initial expectations.

4.3.2 Attitudes towards international firms' engagement in CSR

HE4 International firms hold a wider responsibility than local firms

International firms have traditionally been viewed with skepticism in Indian society (Balasubramanian, 2005; p. 84). The basic mistrust in international firms leads to the hypothesis that Indian students' have higher demands on international firms and the attitude that international firms should take on greater responsibility than national firms.

HE4a₀ Less than 5 out of 10 have a positive attitude towards international firms doing more CSR than local firms ($f \leq 0.5$)
HE4a₁ More than 5 out of 10 have a positive attitude towards international firms doing more CSR than local firms ($f > 0.5$)

Questions	N	Obs fraction f	p-value	Result
Q26	200	0.40	1.00	H ₀ not rejected

HE4a suggests that less than half of the population have a positive attitude towards international firms having a responsibility to do more CSR-work than local firms. The result seems to go against previous findings. In the IIMB poll from 2001, over 85 percent of the respondents thought MNCs apply better standards in their home countries than in India (Balasubramanian, 2005; p. 84. In HE4b, a test is carried out to see if the population proportions are different.

HE4b₀ The fraction of positive respondents in the IIMB poll and our poll is equal ($f_1=f_2$)
HE4b₁ The fraction of positive respondents in the IIMB poll and our poll is not equal ($f_1 \neq f_2$)

Questions	N	Obs fraction	$f=f_1-f_2$	σ_f	Z-value	p-value	Result
Q26	200	$f_1=0.4$	0.27	0.036	7.47	0.00	H ₀ rejected
IIMB poll	778	$f_2=0.85$					

HE4b is rejected. The result may be interpreted as that there is a difference between the two populations. However, the results should be interpreted with caution since the questions were phrased differently. Another interpretation is that the respondents may indeed believe MNC's apply better standards outside India, but do not think they need to do more CSR work in India than local firms should.

4.3.3 Attitudes towards legislation as a method to implement CSR

HE5 Firms should be forced by law to pay special attention to the impact of its business on sustainability

In this section, the attitude respondents hold towards regulation driven CSR is investigated. HE5 tests if more than half of the population has a positive attitude towards legislation as a driving force behind CSR.

HE5a₀	Less than 5 out of 10 have a positive attitude towards firms being forced by law to			
HE5a₁	take a wider responsibility than profit-maximization (fraction ≤ 0.5)			
	More than 5 out of 10 have a positive attitude towards firms being forced by law to			
	take a wider responsibility than profit-maximization (fraction > 0.5)			
Questions	N	Obs fraction	p-value	Result
Q22,Q23	200	0.675	0.00	H ₀ rejected

The rejection of HE5a suggests a positive attitude towards regulation driven CSR. In the IIMB poll from 2001, 55 percent of the respondents thought more legislation was necessary to improve CSR, whereas 87 believed in more self-regulation. (Balasubramanian, 2005; p. 83) In E5b, the proportion of positive respondents in our survey and the IIMB poll from 2001 are compared. The test is taken from Lee et al (2000; p. 462).

HE5b₀	The fraction of positive respondents in the IIMB poll and our poll is equal ($f_1=f_2$)						
HE5b₁	The fraction of positive respondents in the IIMB poll and our poll is not equal ($f_1 \neq f_2$)						
Questions	N	Obs fraction	$f=f_1-f_2$	σ_f	Z-value	p-value	Result
Q22,Q23	200	$f_1=0.675$	0.125	0.039	3.22	0.00	H ₀ rejected
IIMB poll	778	$f_2=0.55$					

HE5b was rejected. Although different surveys should always be interpreted with caution, HE5b indicates that respondents in our survey may be more positive towards regulation driven CSR than the respondents in the IIMB poll from 2001.

4.3.2 Discussion on attitudes

The conclusions from the data analysis on attitudes are as expected a positive attitude towards CSR. The results are in line with previous research. The IIMB survey arrived at a similar conclusion; social responsibility is not only perceived to be the obligation of the government, but is also a corporate one (Balasubramanian, 2005; p. 84). The Millennium Poll indicated the same result; 2 out of 3 citizens want companies to go beyond their historical role of making a profit, paying taxes, employing people and obeying all laws; they want companies to contribute to broader societal goals as well (EI, 1999; p .1).

There was no difference by the gender in attitudes to CSR. These results are not inline with the previous assumptions. However, the female respondents were few which make general conclusions less valid. However, the results are worth considering.

The attitudes towards international firms CSR do not follow the predicted pattern. The initial assumption that international firm have a greater responsibility than national one were rejected. The Teri-Europe poll revealed a lack of trust in companies in general and in particular in international companies (Kumar et al, 2001; p. 21). The Millennium Poll underscores the necessity for MNC to meet the "broader social expectations of consumers in order to safeguard corporate reputations" (EI, 1999; p. 2). The results from all studies together suggest some interesting points; even though there is mistrust in international corporations and a belief that international firms apply better social responsibility standards in their home countries the students in this survey do not think they have to take on more responsibility than the local firms. In other words, the respondents think all firms should be apply the same standards in India, irrespective of their activities and standards outside India. However, as

stressed by the Millennium Poll, international firms must take on CSR also in order to retain a brand-image and to meet the demand from their home country consumers (EI, 1999; p. 2).

The results from our survey concerning legislation of CSR are in line with the results from the IIMB poll; there is a positive attitude towards legislation of CSR activity. The results suggest a desire for tighter legislation. However, the development of CSR in India has partly been fueled by the failure of the state to improve social and environmental legislation. Therefore, the question remains of what effect a legislation in India will have on sustainability.

4.4 Intentions

4.4.1 Intentions

The Theory of Reasoned Action predicts that positive beliefs and attitudes towards an object will also lead to positive behavioral intentions towards that object. In other words, students with positive attitudes towards CSR-policies of a future employer should also be more likely to intend to behave favorably towards the same firm. In our study, both the intention of applying to a firm and the estimation of the probability of actually doing so has been measured.

Question battery III consists of a test in which four different groups (id 1, 2, 3, and 4) receive four different job descriptions. Whereas the first group (id 1) was given a job description with no CSR, the second group (id 2) was given a job description with social and environmental CSR. To capture a difference between social and environmental CSR, the third and fourth group (id 3 and id 4) received job descriptions with only environmental and social CSR respectively.

H6	A firm's CSR-strategy affects the intention of students to apply to the firm and their estimated probability of actually applying to the same firm.
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The questions referring to these hypotheses are statement 27a, 27b, and 27c.

H6a₀ Id 2's intentions are lower or equal to Id 1's intentions.				
H6a₁ Id 2's intentions are greater than Id 1's intentions.				
Questions	Mann-Whitney U	Z-value	p-value	Result
Q27b, Q27c	1060.500	-1.91	0.029	H ₀ rejected
H6b₀ Id 2's estimations are lower or equal to Id 1's estimations.				
H6b₁ Id 2's estimations are greater than Id 1's estimations.				
Questions	Mann-Whitney U	Z-value	p-value	Result
Q27a	1135.00	-1.50	0.069	H ₀ not rejected

Since the data is not normally distributed, a Mann-Whitney U-test is used to see if there is a difference between the respondents who received a job-offer without CSR (id 1) and the respondents that received a job-offer with CSR (id 2). A significant difference is found for H6a, whereas there is no significant difference for H6b. However, both H6a and H6b are significant on a 10 percent level. In other words, although CSR appear to affect respondents' intentional behavior, it is less certain if it will affect the respondents' actual behavior to a firm with CSR.

H6c₀ Intentions do not differ by gender among respondents with id 1				
H6c₁ Intentions differ by gender among respondents with id 1				
Questions	Mann-Whitney U	Z-value	p-value	Result
Q27b, Q27c	105.00	-1.075	0.28	H ₀ not rejected
H6d₀ Estimations do not differ by gender among respondents with id 1				
H6d₁ Estimations differ by gender among respondents with id 1				
Questions	Mann-Whitney U	Z-value	p-value	Result
Q27a	105.00	-1.15	0.25	H ₀ not rejected
H6e₀ Intentions do not differ by gender among respondents with id 2				
H6e₁ Intentions differ by gender among respondents with id 2				
Questions	Mann-Whitney U	Z-value	p-value	Result
Q27b, Q27c	67.00	-1.31	0.21	H ₀ not rejected
H6f₀ Estimations do not differ by gender among respondents with id 2				
H6f₁ Estimations differ by gender among respondents with id 2				
Questions	Mann-Whitney U	Z-value	p-value	Result
Q27a	98.50	-0.27	0.94	H ₀ not rejected

None of the null hypotheses presented above (H6c-H6f) could be rejected. The overall conclusion is therefore that when it comes to intentions and estimations there is no difference between women and men.

Furthermore, H6i and H6j test if there is any difference between intentions towards a job-offer with both social and environmental CSR (id 2), only environmental CSR (id 3), and only social CSR (id 4). Since the data is not normally distributed, a Krushkal-Wallis test is used (Lee et al, 2000; p. 769-771).

H6i₀ Intentions do not differ between respondents with id 2, 3, 4			
H6i₁ Intentions differ between respondents with id 2, 3, 4			
Questions	Krushkal-Wallis test static K	p-value	Result
Q27b, Q27c	2.069	0.36	H ₀ not rejected
H6j₀ Intentions do not differ between respondents with id 2, 3, 4			
H6j₁ Intentions differ between respondents with id 2, 3, 4			
Questions	Krushkal-Wallis test static K	p-value	Result
Q27a	0.427	0.81	H ₀ not rejected

Neither H6i nor H6j could be rejected. From earlier studies the assumption was made that the population would think that involvement in social issues was more important. The results suggest that the intentions and estimations to apply to a firm do not differ if the firm is engaged in social or environmental CSR. In addition, no significant difference was found between job-offers with both social and environmental CSR or those with only environmental or only social CSR.

4.4.2 Discussion on Intentions

The intentions to apply to a firm actually differ on a five percent significance level when comparing the respondents whom received scenario one, no CSR, with those whom received scenario two, both social and environmental CSR. However, for the estimations of the

probability to actually carry out those intentions, the difference was not significant even though the difference between the means reached -0.123. According to Sheppard et al (1998) intentions may well be stronger than probability estimations since a person might wish to apply but estimates the probability of actually doing so to be lower than the intention (p. 327-328). Often, other factors will be taken into account when estimating behavior such as for example the salary offered. There was no difference between men and women in estimation and intentions.

It also appears, that even though the student population believes that environmental issues are more of a concern than social issues, there are no differences in intentions towards a firm which is engaged in social or in environmental issues. These results are quite surprising in two ways. First, the initial assumption was that the students would consider social issues to be a more severe problem than environmental issues. Second, even though environmental problems in fact were regarded as more important, the attitude towards the firm's engagement in social and environmental issues did not differ. A possible explanation might be that for the investigated sample, an urban elite, the social issues are not of immediate concern even though they still believe that firms should take social responsibility. The firms in India have taken on social responsibility for a long time, which may affect the student's expectations on the firm. Also another aspect was stressed by Sankar²⁵; that there has been a change from social to environmental concern, since environmental science is now taught in school. Media coverage of environmental issues has also been large in the past few years. This should in particular have affected the younger generation.

The overall conclusion is that CSR makes a difference for the intentions to apply to a firm. Thus, one should note that the experiment resulted in many giving extremely high values for the behavioral intentions and estimations which might have an affect on the outcome (62.5 percent responded a five). Obviously, the scale was not appropriate in an Indian context. The endpoints should have been "stronger" statements. In the pilot study this problem did not appear but India is a different cultural context. This could have affected how the students responded to the intentions and estimations.

In conclusion, the results from our study suggest that students care about CSR issues and this does affect their intentions to apply to a firm. Their attitudes can therefore put pressure on firms to deepen their CSR work which leads us to the next chapter on the implication of the results from a firm's perspective.

²⁵ Interview, Sankar, Kapal, *Hand-in-Hand*, April 2, 2007.

5. Implications for MNCs in Bangalore

The aim of this chapter is to analyze the implications of the survey results for the CSR strategies of MNCs in Bangalore. The chapter has the following structure. First, the connection between the survey results and CSR-strategy is established. Second, a development of an employer branding model with CSR included follows. Third, an evaluation of the empirical results of how firms work with CSR-strategy in Bangalore is presented.

5.1 Survey results and CSR-strategy

The results of the survey show that students have positive attitudes towards CSR-strategies and that these attitudes affect students' intentions to apply to a firm with a CSR-strategy as well as students' estimation of actually applying to such firms. As concluded in part one, the positive attitudes among students may be a driving force for firms to consider their broad impact on society and in the long run lead to a more sustainable society. This second part of the study will analyze the implications of the results of the survey on MNCs CSR-strategy in a developing country such as India. CSR-strategies will not only have the potential to influence sustainable development in a society, but also to award corporations a competitive advantage. When firms realize that CSR can improve their competitive context (the quality of their business environment) and address the social and environmental problem in another manner than mere charity the firms have the possibility to truly benefit society. Through leverage of its capabilities the firm can provide social goods beyond that of foundations or individual owners (Porter and Kramer, 2002; p. 59).

Willard (2002) identifies seven benefits that may come about as the result of Triple Bottom Line: easier hiring of the best talent, higher retention rate of the best talent, increased productivity, reduced manufacturing costs, reduced commercial site expenses, increased revenue through higher market share and easier financing. Given the focus in this study on the attitudes and behavior of young talented students relative to CSR the discussion on how the results affect MNCs will be limited to CSR's connection to human resource management, i.e. the first two benefits Willard identifies.

Although managers in polls have suggested that CSR should be used in human resource management and this idea appears to have been circulating among practitioners for quite some time, no real framework describing such a process has to the authors' knowledge been developed (NSE/NIFTY 2003; p. 18). The model suggested here aims shed light on how CSR and human resource management are connected by combining the results from the survey with the employer branding theoretical foundations, outlined by Backhaus and Tikoo (2004), together with reasoning on competitive advantage from Porter and Kramer (2002).

5.2 CSR, employer branding and competitive advantage

Branding has traditionally been used to differentiate products but today it is used to differentiate people, places, and firms as well. Backhaus and Tikoo (2004) defines employer branding as "the process of building an identifiable and unique employer identity" and the

employer brand as a “concept of the firm that differentiates it from its competitors”. In other words, through its employer brand, a company identifies itself not only as an employer, but also suggests how it differs from other employers. Furthermore, the use of employer branding can be especially useful in a knowledge-based economy where skilled employees are scarce. (p. 502) Thus, employer branding through CSR should be especially interesting in the market analyzed in this study. Although the Indian economy has shown impressive growth since the reforms in the mid-90s, the general labor market is still characterized by an oversupply of labor (Basu, 2007; p. 28). India’s economy is creating a lot of jobs but many of them require educational skills (Vogel, 2007; p. 4). Thus skilled employees are nevertheless a scarce resource and highly sought after by MNCs active in high-tech and service business in Bangalore.

In a conceptual framework developed by Backhaus and Tikoo (2004), employer branding creates two assets - brand association and brand loyalty. The brand association refers to the “idea that a brand name evokes in the minds of the consumers”. Employer brand associations will in turn affect the employer brand image among the candidates looking for work. Hence, in recruitment, potential employees will be attracted to a firm depending on if the firm have the attributes favored by the candidate and the weight the firms puts on these attributes (p. 505-6).

Given that the branding model will be used to explain the link between CSR strategy and human resource management, only branding related to CSR is discussed. As illustrated in figure 6 the employer’s CSR image will affect the employer attraction. If there is a match between the values of the applicant and the CSR values imbedded in the brand image, then this will positively affect an applicant’s interest in the firm. According to the model, external communication of the brand image is necessary to attract skilled employees. (Backhaus and Tikoo, 2004; p. 502-3, 506)

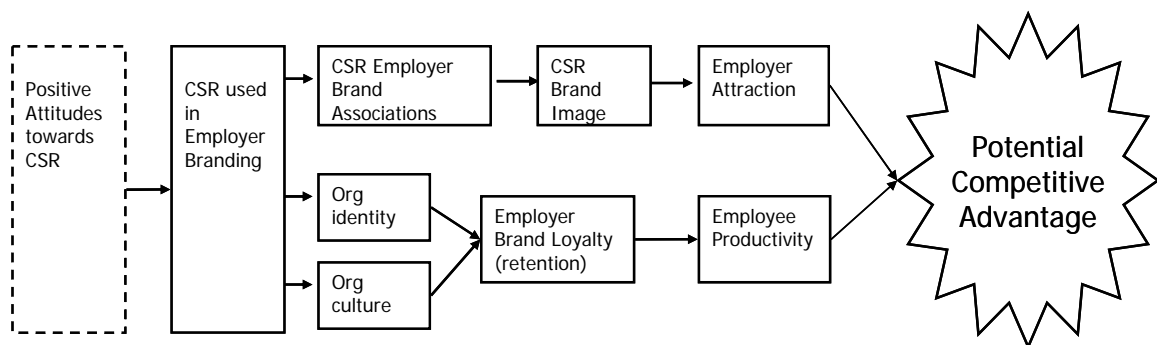
During the recruitment process, the employees develop several assumptions about the company’s interest in sustainability. If these expectations are not anchored in reality (in the organizational culture/identity), the likelihood of an employer or an employee terminating the employment contract significantly increases. Thus, according to the view of recruitment as the employer and the employee entering a psychological contract, a mismatch of expectations will negatively affect the retention of talented professionals (Robinson et al, 1994; p. 149). A corollary is that an employer overstating its CSR-work may well find that employees who joined with high expectations on a firms’ CSR-engagement leave the firm at a higher rate than if the firm had communicated a realistic view of the firm’s CSR-work (Backhaus and Tikoo, 2004; p. 507). Hence, if an employee feels committed to the organization through identification with values and norms, then he/she is more likely to stay in the organization (brand-loyalty) and in addition tend to have higher performance levels (Backhaus and Tikoo; 2004; p. 510). According to Backhaus and Tikoo (2004) internal marketing is used to communicate to the employees that the firm is committed to the values they promised (p. 503).

Furthermore, Porter and Kramer (2002) have a similar reasoning; they identify a CSR-strategy as a potential competitive advantage (p. 58). They continue to argue that a beneficial CSR-strategy is not charity or philanthropy, rather the firm’s engagement in social and environmental issues should relate to the firms core business in order to reap economic

benefits as well. By working with social and environmental issues a corporation can stimulate new markets for its products but also create a more productive location (Porter and Kramer, 2002; p.59). For example, if the firm is operating in a developing country, engagement in business environmental conditions, such as infrastructure, creates extensive social gains for a poor nation. Porter and Kramer (2002) stress further that ethical investments by members in a cluster, a geographical concentration of interconnected companies, can create competitive advantages that improve performance of all the members in a cluster (Porter and Kramer, 2002; p. 59). Thus, using the CSR strategy as an employer branding might create a competitive advantage for the firm given that the focus of the CSR activities is connected to core business.

As illustrated in figure 6 the connection between employer branding and CSR can only be made if the attitudes and intentions towards CSR among potential employees are positive which may not necessary be the case in all sectors in a developing country. In other words, in order to put CSR into the employer branding framework in a developing country and assume that the company thereby may gain a potential competitive advantage the assumption of a positive attitude towards CSR must be added. Furthermore, to effectively incorporate employer branding in CSR-strategy the attitudes towards different aspect of CSR should be investigated to maximize employee attraction in each country or each segment of the labor market. The model with the added assumption is presented below.

Figure 6: CSR and employer branding



Note: Figure originally from Backhaus and Tikoo (2004, p. 505) adapted to CSR (added assumption of positive attitudes and potential competitive advantage).

5.3 Applying a CSR-strategy in the employer branding model

5.3.1 Easier hiring

The first benefit Willard (2002) identifies from Triple Bottom Line is easier hiring of the best talent, which is also shown by the employer branding model in figure 6. According to the employer branding model, the attractiveness for the employee is altered by the employer image through the employer brand associations. Our empirical results demonstrate that the best talents do care about sustainability and also CSR. The intention to actually apply to a firm which communicates CSR is also higher. Thus if salary and other conditions are the same, an employee may very well consider the CSR policy to be a decisive factor for in fact seeking out a particular company. The results suggest that employer branding should be considered in

forming the CSR-strategy. Alternatively expressed, since the students care about CSR-strategy, it should be an attribute incorporated in the building of an employer brand. External communication of CSR activities is therefore important to be a magnet for talented professionals.

Five out of the nine companies deliberately did not communicate their CSR publicly. The main reason for not doing so varied between companies; one firm felt that they were in too early a stage of their CSR, “still trying to find themselves”, other considered it part of their strategy to not communicate their CSR. However, Porter and Kramer (2002) suggest that communication is valuable. Panwar et al (2006) also suggest that initiatives of this kind must be communicated clearly so that the consumers can identify between marketing efforts and true CSR initiatives (p. 7). Assumingly, the same logic holds true for employees as well. Hence, in order to reap the full benefits of CSR, the strategy should be communicated not only to society at large, but also specifically to future employees since it effects the associations of the brand also for them. In interviews with nine firms in Bangalore, only four company representatives associated CSR with branding.

Among the interviewed companies, only three out of nine actually use CSR as a recruitment tool. In other words, these three explicitly communicated their CSR-strategy to the students when visiting campuses to recruit. An additional firm did mention that it was planning to incorporate their CSR-strategy into their hiring process. The results were quite surprising, since all of interviewed companies have well developed CSR-strategies and associates CSR with its core business. In addition, communicating a CSR engagement may be especially important for MNCs since they have traditionally been viewed with mistrust in India (Kumar et al. 2001; p. 21). Furthermore, according to the results from the survey, there is no stronger pressure from the top students on MNCs to apply better standards than local firms. However, expectations from both consumers and employees outside India may be higher. A representative from one international firm stressed that international companies are judged harder, if they were found to have a negative impact on the society. They receive reactions from their home countries as well as from the country where they are acting and sometimes from several countries in the world. One corporate representative summarized this elegantly by emphasizing that as an international business operating in a developing country you must walk that extra mile and “you must be cleaner than clean and greener than green”²⁶

5.3.2 Retention

The second benefit of Triple Bottom Line suggested by Willard (2002) is retention of employees. The cost of replacing talented employees is very high. Retention of employees is strongly connected to what Backhaus and Tikoo (2004) refer to as employer loyalty. The company must continue to internally market its values to prove its commitment to CSR. From the interviews, it was obvious that internal communication was well established. Through company magazines, employee engagement schemes, and e-learning, the employer's commitment to CSR was communicated to the employees. Hence, the retention benefit by CSR was well identified by the MNCs. However, since CSR is not so much used in attracting

²⁶ Interview, Harmet Bawa, ABB, 10th of April 2007.

potential employees it is quite surprising that CSR is clearly used as a brand-loyalty tool. One explanation for this one-sided focus on internal communication may be that employers are wary to get external criticism for doing CSR with the only purpose of strengthen their brand image. As earlier stressed the external communication must be very clear so that different stakeholder groups can identify true CSR from marketing (Panwar, 2006, p. 7).

5.4 The Indian context

According to the employer branding model the values of the individual should match the values of the organization. In our study, social and environmental aspects of CSR have been separated. The results suggest that intentions to apply to a firm and the estimations of the probability of actually applying to the same firm are not affected by different weights on the social or environmental aspects within a CSR-strategy. Thus, from an employer branding perspective, the focus in CSR may be on social, environmental, or both social and environmental CSR. However, in a wider context this may not be the case. The wider society may expect that certain issues to be addressed by a firm. The notion of which areas firms should be engaged in differs between countries, which suggest a local adaptation of the employment branding model and CSR. A majority of the interviewed firms had realized that such adaptation must be done. Many of the firms had global environmental strategies or guidelines and also a local social CSR-strategy since social problems varies between countries while environmental concerns usually are global issues, such as global warming. Thus, in a developing country such as India, the CSR-strategy should also be related to local labor market characteristic. The focus of this study has been on the high-tech and service industry and the target population, has been the urban elite. For a firm working in other industries within India and which targets another group of people, the choice of strategy might be different.

The incorporation of CSR in employer branding can be beneficial. The question that remains is if CSR used in this way may prove to be a competitive advantage. A sustainable competitive advantage is evident if the competitors can not imitate the strategy. CSR is usually highly transparent and therefore easy to imitate (McWilliams et al. 2006, p. 7). However, according to Porter and Kramer (2002) the CSR-strategies have the potential to create a cluster competitive advantage for the IT and telecommunication sector (ITC) (p. 60). Firms established in Bangalore ITC can definitely be seen as a cluster in which CSR has the possibility to become a cluster competitive advantage. A cluster competitive advantage can be beneficial for all of the members within the cluster. (Porter and Kramer, 2002, p. 56) In the Teri-EUROPE poll from 2001, the public and to a lesser extent workers and executives, view the ITC as leaders in CSR. Other sectors, such as the automotive sector, are ranked much lower by the general public.

Part of the benefits from CSR is external, in terms of both brand equity and the benefits generated to the wider society. A firm in the ICT sector in Bangalore will benefit from the positive work done by other firms. In addition, since employees also expect a firm active in the ICT sector to do CSR work, a firm cannot refrain from doing so. Hence, the free-rider problem is mitigated by the fact that the retention rate is negatively impacted by free-riding (Porter and Kramer, 2002, p. 62). Given that the ICT sector has established itself as a CSR leader, it may have created a positive spiral in which CSR work is continuously developed and

recognized both by employees and the wider society in Bangalore. However, a firm active in another industry that is investing heavily in CSR, and tries to communicate it to the public, will not reap all the benefits from doing so. Part of the positive image built will be tapped by other firms and the firm doing the CSR work may find the costs outweighing the benefits. Consequently, the free-rider problem may prevent other sectors from replicating the CSR cluster already made up of ICT firms in Bangalore. In the sample of firms interviewed, five belonged to the ICT sector and four belonged to other high-tech/service industries. If the previous argument holds, the firms active in the ICT sector may be able to create a sustainable advantage in contrast to the firms in the automotive sector, given the sectors perceived leadership in CSR.

6. Conclusions

In this section, main conclusions and results from our survey are presented as well as final remarks on the employer branding are presented. Finally, areas of further research are suggested.

6.1 Overall conclusions

In our survey, business students' attitudes to CSR have been investigated through an attitude survey and the results suggest positive attitudes to CSR within this group. Thus, the study concludes that the business students in Bangalore, the future business leaders in Bangalore but also in India, do care about CSR. As discussed in the introduction, these positive attitudes among students may therefore act as a driving force to pressure MNC's to further develop their CSR-strategies in Bangalore. An assumption of this thesis is that if firms develop their voluntary activities "demonstrating the inclusion of social and environmental concerns in business operations and the interaction of stakeholders", then India may become a more sustainable society (van Marrewijk and Werre, 2003; p. 107).

Using the Theory of Reasoned Action and the Triple Bottom Line concept, the first two parts of our survey investigate students' beliefs about sustainability, beliefs about the scope of CSR, and attitudes towards CSR. In the third part of the survey, an experiment links the students' beliefs about and attitudes to CSR, with their evaluation of a future employer. Thus the third part of the survey links attitudes to CSR and human resource management of the companies. Students' beliefs, attitudes, intentions, and estimations were found to be correlated, as predicted by the Theory of Reasoned Action, thus suggesting a correct implementation of the theory. Although the overall beliefs, attitudes, intentions and estimations indicated by students were positive and thus consistent with initial hypotheses, not all individual hypotheses were supported by the data and many were even rejected.

Firstly, students were found to not emphasize social issues more than environmental neither for beliefs about sustainability or the scope of a firm's CSR nor for attitudes to CSR. In fact, students believed environmental and not social sustainability areas were of greatest concern. Similarly, students had a more positive attitude to environmental than to social CSR work. The reason for social issues not being emphasized may be explained by the fact that the investigated population is part of an urban elite and thus less exposed to social problems. Nevertheless, even though the students found environmental sustainability issues to be more of a problem than social issues, they did believe firms were equally apt to help solve both environmental and social problems. This result may be understood in a historical context. Traditionally, the Indian society has expected firms to take on a wider social responsibility. Therefore, students may be aware of the work firms have done in social areas and recognize how firms have been able to make a difference in social areas.

Secondly, contrary to our hypotheses, women were found to have less positive beliefs in and attitudes to sustainability and CSR than men. However, this result should be interpreted with caution since the number of women participating in the survey was few. An explanation for

the discrepancy between expected and actual outcome may be attributed to culture. The hypotheses were developed from studies in the United States, a country which in many aspects differ from India. Consequently, it would be interesting to see further studies on gender differences in India since the small sample prevents any definite conclusions to be drawn.

Thirdly, the hypothesis that students would have higher demands on the performance of international companies was also rejected. Previous studies have found that students believe MNCs apply higher standards in their home countries than in India. Thus, it appears that although Indian students believe MNCs have lower standards in India than abroad, students do not think MNCs should do more CSR work than local firms should. In addition, more than half of the students were positive to legislation being used to push firms' CSR work, which is in accordance with results from earlier studies.

Fourthly, the results of the third part of the survey suggest that business students' intention to apply to a firm and their estimation of actually applying to the firm are affected by the CSR work of the same firm. In other words, a student with a positive attitude to CSR is more likely to value a future employer higher if it does good CSR work. The results suggest a link between CSR-strategy and human resource management. Although many practitioners of CSR mention the connection between CSR and human resource management, there is little theory available linking CSR and human resource management. Neither is there to the authors' knowledge any empirical studies investigating if CSR actually can be used to support human resource management. In the light of this rather small body of knowledge about the connection between CSR and human resource management, our survey's findings that students rate a job offer from a firm doing CSR work higher than a firm doing no CSR works is highly interesting and is one of our survey's major findings.

6.2 Final comments on employer branding and CSR

The results of the survey and the interviews with nine firms operating in Bangalore on the implications of CSR-strategies were analyzed from an employer branding perspective combined with reasoning on competitive advantages. The analysis shows that even though all of the interviewed companies have well developed CSR-strategies the integration of the CSR-strategies into human resource management area is insufficient. Communication of the CSR-policy is a possibility to attract skilled employees. However, the second part of the employer branding model involving internal marketing of CSR was recognized by many of the interviewed MNCs, which may thus realize the benefit of a higher retention of talented professionals

Furthermore, for the ICT sector in Bangalore, well-developed CSR-policies can be seen as a competitive advantage for the sector and something all members of the cluster can benefit from. The communication of the CSR policy is especially important for the MNC since they often are viewed with suspicion in a developing country and at the same time are pressured from stakeholders in their home-country. The difference between countries in awareness of CSR implies that to efficiently connect employer branding and CSR-strategy, attitudes towards CSR-strategy must be investigated four various countries. However, the main conclusion from the final section in this study is that, the positive attitudes towards CSR among the Indian

students suggest that employer branding, and CSR-strategy can be integrated. Hence, the implication for the MNCs is that CSR-strategies can be used as a recruitment tool and part of an employment branding strategy and that employer branding can be incorporated in a CSR-strategy.

6.3 End note

The poverty and underdevelopment in a country like India calls for action. CSR, fueled by economic growth and public expectations, has the potential of becoming one of the driving forces behind development and in the longer perspective a way of achieving a sustainable society. However, this is not the only possible outcome. Although CSR seems to have a great potential to play a role in the development of society, there is no guarantee that it will actually do so. Not until firms realize the economic benefits from using CSR such as easier hiring and higher retention rates of their employees, we will see true CSR engagement. The main finding of our study is that future business leaders in India do have positive attitudes towards CSR and also suggest that the same population partly evaluates the attractiveness of a potential future employer on the basis of its CSR work. Porter and Kramer (2004) argue that a firm's long-term success is dependent on the sustainability of the society in which the firm resides (p. 83). In line with this argument, our study suggests that the attitudes of future business leaders in India will influence the advancement of CSR-strategies in corporations in India and thereby have a positive impact on sustainable development in India.

6.4 Future research

During the writing of this thesis, several interesting ideas have come up. First, the survey did not allow the respondents indicate their "trade-off" between CSR and other factors, such as salary, flexible hours, and other benefits. The aim of the study was simply to investigate if there was difference in intentions of applying for jobs between firms depending upon their CSR-strategy. Therefore, as a further development of this study, a willingness to pay experiment would be of great interest. A survey including a willingness to pay experiment would provide the possibility for a regression analysis of the factors which influence employee choice, and to evaluate the importance CSR relative to other factors.

Second, due to the limited time and resources available to conduct the thesis, it was not possible to make comparisons between countries in the attitudes of business students. Previous studies were used to a limited extent for that purpose. However, a study comparing countries using the same methodology as here could be of interest for the understanding of the interaction of CSR-strategies and employer branding.

Third, the results from our study suggest that less women than men were interested in CSR among the Bangalore business students. However, due to the small number of women in the sample no real conclusions could be drawn from this observation. A suggestion for future research is therefore to investigate if the gender difference holds true when the sample is larger and if so, to try to identify explanations.

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Francis, René, Group Function Communication, *Ericsson*, Stockholm, 26th of March, 2007, ph: +4687641641.

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Iyer, Sridhar, *EY*, telephone interview, 11th April, 2007, ph: +912266655260.

Johansson, Bengt, Deputy Trade Commissioner, *Swedish Trade Council*, Bangalore, 30th of April, 2007, ph: +918041529100.

Kapal, Sankar, CEO, *Hand in Hand*, Chennai, 2th April, ph: +914427267065.

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Sing, Armit, Senior Manager Market & Communications, *Ericsson*, telephone interview, 11th of April, 2007, ph: +919810049920.

Sudha Sejppy, Program Manager South Asia, *Alliance to Save Energy*, telephone interview 4th of May, 2007, ph: +919845046057.

Venkatesh, Roshni, Corporate Citizenship & Inclusion *Accenture*, Bangalore, 11th of April, 2007, ph: +918051060000.

Appendix 1

Survey

In this section, the questions respondents answered are presented. Since all questions in the first battery was followed by the same three scales, only the first question in each battery is shown in full below in figure A1.1 and figure A1.1-A1.3 shows the individual questions part of question battery I, II, and III.

Figure A1.1: Structure of the questionnaire used in our survey

Please reply to what beliefs you have about the following statement:

[Question Q1-Q16 from question battery I]

	1	2	3	4	5	
Disagree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Agree
False	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	True
Unlikely	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Likely

Please reply how you feel about the following statements:

[Question Q17-Q26 from question battery II]

	1	2	3	4	5	
Bad	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Good
Unfavorable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Favorable
Disapprove	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Approve

Please read the following description of a potential future employer carefully:

[Job-offer scenario 1-4 from question battery III]

I would apply to the following firm

	1	2	3	4	5	
Improbable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Probable

I will apply to the following firm

	1	2	3	4	5	
False	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	True

I will apply to the following firm

	1	2	3	4	5	
Unlikely	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Likely

Figure A1.2: Questions battery I: beliefs

- | | | | |
|----|-----------------------------------------------------------------------------------|----|--------------------------------------------------------------------------------------------------------|
| Q1 | "I believe air pollution is a major problem in the region I live" | Q2 | "Firms working to reduce air pollution could significantly improve air in the environment I live" |
| Q3 | "I believe non-efficient energy usage to be a major problem in the region I live" | Q4 | "Firms working with efficient energy usage significantly improve the environment in the region I live" |

Q5	"I believe water and ground pollution is a major problem in the region I live"	Q6	live" "Firms working to reduce water and ground pollution could significantly improve the environment in the region I live"
Q7	"I believe the amount of waste generated by non-recycled products is a major problem in the region I live"	Q8	"Firms working to recycle their products could significantly improve the environment in the region I live"
Q9	"I believe gender- and caste-based discrimination is a major problem in the region I live"	Q10	"Firms working to prevent gender- and caste-based discrimination could significantly improve social conditions in the region I live"
Q11	"I believe poverty is a major problem in the region I live"	Q12	"Firms working with poverty alleviation could significantly improve social conditions in the region I live"
Q13	"I believe access to health care is a major problem in the region I live"	Q14	"Firms working to improve access to health care could significantly improve social conditions in the region I live"
Q15	"I believe access to education is a major problem in the region I live"	Q16	"Firms working to improve access to education could significantly improve social conditions in the region I live"

Figure A1.2: Questions battery II: attitudes

Q17	"My future employer has a wider responsibility than to maximize profits"	Q18	"My future employer has a responsibility to improve the environment in the region I live"
Q19	"My future employer has a responsibility to improve social conditions in the region I live"	Q20	"My future employer has a responsibility to increase awareness of social issues"
Q21	"My future employer has a responsibility to increase awareness of environmental problems"	Q22	"My future employer should be forced by law to pay special attention to the impact of its business on the environment"

Definition presented to all respondents before Q23: Corporate Social Responsibility (CSR) strategy defined as "where the firm goes beyond compliance and engages in actions that appear to further some social good, beyond the interest of the firm and that which is required by law".

Q23	"My future employer should by law be forced to pay special attention to what impact its business has on social conditions"	Q24	"Companies active in my region with a CSR-policy should do more to improve the environment than companies without a CSR-policy"
Q25	"Companies active in my region with a CSR-policy should do more to improve social conditions than companies without a CSR-policy"	Q26	"International corporations should have a broader responsibility than local firms when it comes to CSR issues"

Figure A1.3: Questions battery III: intentions and estimations

Q27	Id 1	The firm operates within your major field of study. The firm is a large international corporation operating in your region. The firm has good revenues, pays out yearly dividends to its shareholders and offers an okay salary and a potential career opportunity.
	Id 2	The firm operates within your major field of study. The firm is a large international corporation operating in your region. The firm has good revenue, pay-out yearly dividend to its shareholders and offers an okay salary and a potential career opportunity. The firm is respected for its engagement in efficient usage of energy, and works actively to improve the air, water and ground pollution, and recycles their products as well as works actively with discrimination, poverty, education and health care issues.
	Id 3	The firm operates within your major field of study. The firm is a large international corporation operating in your region. The firm has good revenue, pay-out yearly dividend to its shareholders and offers an okay salary and a potential career opportunity. The firm is respected for its engagement in efficient usage of energy, and works actively to improve the air, water and ground pollution, and recycles their products.
	Id 4	The firm operates within your major field of study. The firm is a large international corporation operating in your region. The firm has good revenue, pay-out yearly dividend to its shareholders and offers an okay salary and a potential career opportunity. The firm is respected for its engagement in discrimination, poverty, and education and health care issues.

Introductory letter

The introductory letter below was sent to the respondents. The reminders included the same letter and an added introduction referring back to the earlier invitation and encouraging the members of the population answer correctly and only start the survey if enough time could be allocated to doing so.

Subject: Survey invitation

Message: Dear top student!

We kindly ask you to fill out the survey linked below.

Your contribution is crucial for us!

Those who participate have a good chance of winning USB memory sticks!

We are two students from the Stockholm School of Economics in Sweden who have been given the great opportunity to write our Master's thesis in India in cooperation with the Centre of Corporate Citizenship and Governance at IIMB.

The purpose of our Master's thesis is to investigate beliefs, attitudes and intentions of India's future workforce – the students – in connection with Corporate Social Responsibility (CSR) strategy defined as "where the firm goes beyond compliance and engages in actions that appear to further some social good, beyond the interest of the firm and that which is required by law".

Your participation in the survey is of course voluntary, but your cooperation is most valued by us and improves our results. If you choose to participate, we ask you to answer truthfully and correct as the quality of the survey depends on each individual's answers. Carefully read the given statement in the survey and answer all three of the question that follow that particular statement. Please answer all questions in the survey!

[Link included]

The survey is anonymous and takes about 5-10 minutes to complete.

Thank you for your cooperation,

Matilda Jonung, email, phone number

Martin Malhotra, email, phone number

Appendix 2

Composite variables

The composite variables created through taking the average of questions in the survey are presented below in figure A2.

Figure A2: Composite variables and variables used our study.

		social and environmental	Social	Environmental
Beliefs	Sustainability		Q11, Q13, Q15	Q1, Q5, Q7
	Firms		Q12, Q14, Q16	Q2, Q6, Q8
Attitudes	General	Q17		
	General		Q18, Q21	Q19, Q20
	Law	Q22, Q23		
	International firms	Q26		

			Id/job-offer scenario			
			1	2	3	4
Intentions	CSR work	None	Q27b, Q27c			
		Environmental		Q27b, Q27c	Q27b, Q27c	
		Social				Q27b, Q27c

			Id/ job-offer scenario			
			1	2	3	4
Estimations	CSR work	None	Q27a			
		Environmental		Q27a	Q27a	
		Social				Q27a

Appendix 3

Summary of the interviews with MNCs in India is given below in table A3.

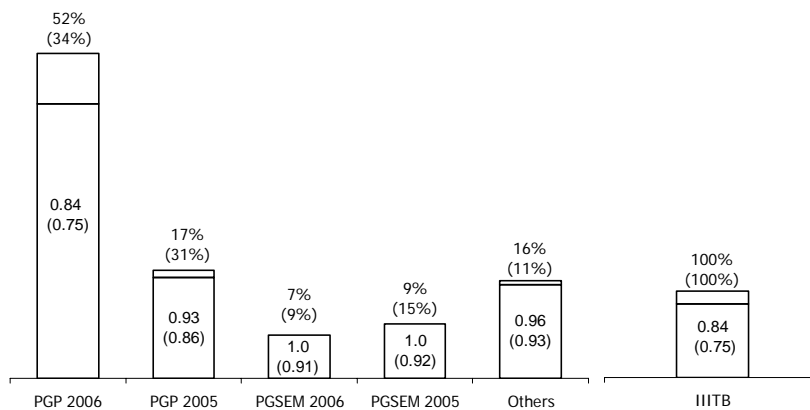
Table A3: Summary of interviews with MNCs

Use as CSR as recruitment tool	Focus CSR-CSR-strategy (local)	Global or local CSR-strategy	Formal local external communication (not including global homepage)	
Company 1	No	Environmental	Global strategy	No
Company 2	Yes	Social	Global strategy with local adoption	Yes
Company 3	No	Social	Global strategy	Yes
Company 4	No	Environment	Global environmental strategy-local social strategy	Yes
Company 5	No	Social	Local strategy	No
Company 6	No	Social	Global environmental strategy-local social strategy	No
Company 7	No	Social	Global strategy with local adaptation	No
Company 8	Yes	Environmental	Local strategy	Yes
Company 9	No	Social	Global strategy with some local adaption	Yes

Appendix 4

A summary of the check of background variables included in our survey is given below.

Figure A4: Actual (expected) proportion of responses from different programs and genders at IIMB and IIITB



Note: The estimated figures are based on the students to whom a survey invitation letter was sent. For convenience, the percentages have been rounded to whole numbers. The decimal number in the bars show the actual (expected) fraction of male respondents in a group

Appendix 5

The results from t-tests in question battery II and III are given below. The threshold is always set to 3.4. All tests are double sided except H6a and H6b. In H6c and H6d a t-test with unequal variances was conducted since Levene's test rejected equal variances.

Table A5: Results from selected t-tests in Battery II and III

Hypothesis	t-value	p-value	Result
H3a	10.90	0.00	Rejected
H3b	-0.213	0.83	Not rejected
H3c	2.332	0.021	Rejected
HE4	-2.692	0.01	Rejected
HE5	4.75	0.00	Rejected
H6a	-1.71	0.045	Rejected
H6b	-0.716	0.238	Not Rejected

In addition, H6c and H6d were insignificant for both intentions and estimations. The t-tests confirm the results from the non-parametric tests.

Appendix 6

Below, the interview questions asked companies are provided.

1. Tell me a little bit about your role at the organization – what do you do?
2. How has your CSR-strategy been developed?
3. What drives your CSR work?
4. How do you work with the CSR-strategy?
5. How do you incorporate CSR in your daily operations?
6. Is the CSR work done mostly on a global or local level?
7. How do you define CSR-strategy?
8. Are there any special focuses on certain areas of the CSR-strategy?
9. Have the content of the CSR-strategy developed over time/does it differ between countries?
10. How do you view the development of the CSR strategy, is the development of your firm's strategy leaning in a certain direction?
11. How do you communicate your CSR-strategy to your employers? /stakeholders?/ community?
12. Do you use the CSR-strategy as a HR recruitment tool?