

Socially Responsible Leadership and Organizational Commitment in India: A Narrative Review

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ABSTRACT

This narrative review examines the relationship between socially responsible leadership (SRL) and organizational commitment (OC) in India. The study focuses on the importance of leadership in promoting socially responsible behaviours and values within organizations, and how these behaviours can lead to greater levels of OC among employees. The review highlights the various factors that contribute to SRL, including ethical decision-making, transparency, and accountability. Additionally, the study explores the role of organizational culture in promoting socially responsible behaviours and values, as well as the impact of employee perceptions of organizational justice on their commitment to the organization. This study employed a secondary review methodology, which involves analysing pre-existing data and materials from diverse sources such as books, journals, government papers, and internet databases. In Conclusion, this review suggests that SRL can have a positive impact on both OC and overall business performance in India.

Keywords: Socially responsible leadership, Organizational commitment, Corporate social responsibility, Employee motivation, Leadership styles.

INTRODUCTION

In recent years, there has been an increasing interest in the concept of socially responsible leadership (SRL) and its impact on organizational commitment (OC) in India. SRL refers to the ethical and responsible leadership practices that promote social and environmental sustainability, while OC refers to an employee's emotional attachment and loyalty toward their organization. In India, where corporate social responsibility (CSR) has become mandatory for certain companies, the importance of SRL and OC has increased even further. This narrative review aims to explore the existing literature on SRL and OC in India, identify the research gaps and limitations, and provide recommendations for future research. The review seeks to provide insights into the nature of these concepts, their relationship, and the implications for organizational performance and sustainability in India.

Several studies have highlighted the positive impact of SRL on OC. For instance, Roy and Sarkar (2017) found that leaders who display ethical behavior and social responsibility are more likely to inspire employee commitment and loyalty. Similarly, Gupta and Sharma (2018) demonstrated that leadership style is positively correlated with OC. They found that transformational leadership, which emphasizes the development of employees and a shared vision, is particularly effective in fostering commitment. OC is also critical for achieving sustainable CSR outcomes. Employees who are committed to the organization are more likely to embrace CSR initiatives and contribute to their success (Srivastava et al., 2016). Furthermore, employees who perceive their organization as socially responsible are more likely to exhibit positive attitudes and behaviors toward their work (Pandey & Singh, 2019).

In India, CSR has become an essential aspect of corporate governance. The Companies Act, of 2013, mandates that certain companies must spend a specified percentage of their profits on CSR activities. This requirement has led to an increase in CSR initiatives and a growing awareness of the importance of social responsibility among Indian companies. However, there are challenges to achieving effective CSR outcomes. One of the most significant challenges is the lack of commitment from employees and leaders. Without commitment, CSR initiatives are likely to be ineffective and unsustainable. Therefore, it is crucial to understand the factors that contribute to OC and SRL.

Several factors have been identified as essential for promoting SRL and OC. These include ethical values, employee engagement, organizational culture, and employee development (Kaur & Singh, 2019). Ethical values and a strong organizational culture that emphasizes social responsibility can foster commitment among employees and leaders. Employee development programs can also enhance commitment by providing opportunities for growth and development.

In conclusion, SRL and OC are critical for achieving sustainable CSR outcomes in India. The current literature suggests that SRL is positively correlated with OC, and both are essential for achieving CSR goals. Therefore, companies in India must focus on developing ethical leaders who can inspire commitment and loyalty among their employees. They must also create a culture of social responsibility and provide opportunities for employee development to promote commitment. By doing so, they can achieve sustainable CSR outcomes and contribute to the development of a more socially responsible society.

METHODS

Search Strategy

The methodology for this narrative review involves a systematic and comprehensive literature search for all the published studies in electronic databases such as JSTOR, Google Scholar, Emerald Insight, and Worldwide Science using keywords such as "socially responsible leadership," OR "SRL" AND "Organizational Commitment," OR "OC", AND "India". The search was limited to articles published in peer-reviewed journals from 2010 to 2021. Furthermore, the reference lists of retrieved research, and review articles relevant to the topic were extensively evaluated in order to identify and to include more relevant studies. A total of 45 articles were identified through the search process, and after screening the articles based on relevance and quality, 20 articles were selected for review.

Results

This review revealed that SRL positively impacts OC in Indian organizations. SRL practices such as ethical decision-making, stakeholder engagement, and social and environmental sustainability initiatives create a positive work environment, which in turn, leads to increased employee commitment and loyalty towards the organization. However, the existing literature also highlights the need for more research on the contextual factors that influence the relationship between SRL and OC in India, such as cultural values, organizational structure, and leadership style. This review also identified the need for more empirical research on the effectiveness of SRL practices in Indian organizations. Most of the existing studies are qualitative in nature, and there is a lack of quantitative studies that examine the relationship between SRL and OC in Indian organizations. Additionally, there is a need for longitudinal studies that examine the long-term impact of SRL practices on OC and organizational performance.

Findings

Employees who perceive their leaders as socially responsible are more likely to be committed to their organization. This is because socially responsible leaders create a positive work environment

that fosters trust, respect, and fairness. They also prioritize the well-being of their employees and stakeholders, which increases their commitment to the organization. Furthermore, the review found that SRL is positively associated with employee job satisfaction, motivation, and engagement. This is because socially responsible leaders create a sense of purpose and meaning in their employees' work, which leads to higher levels of job satisfaction and motivation. Additionally, socially responsible leaders are more likely to involve their employees in decision-making and provide opportunities for growth and development, which increases employee engagement.

Influences of CSR on Leadership and its Understanding of Leadership

Leadership is significantly impacted by corporate social responsibility (CSR), which also alters how leadership is understood in various ways. The influence that leaders have on society, the environment, and their stakeholders is now required of them to a greater extent (He et al. 2019). CSR encourages leaders to have a higher moral stance, which has an impact on leadership. Making judgments that are best for all parties involved, such as staff members, clients, and the larger community, is a requirement of ethical leadership (Gillan et al. 2021). This strategy encourages openness and accountability while taking the social and environmental effects of corporate choices into account. Leaders must also have a long-term outlook and concentrate on sustainable growth rather than short-term profits to practice CSR (Han et al. 2019).

This means that decision-makers must take into account the long-term social and environmental effects of their choices and behave in a way that benefits present and future generations. The need for leaders to take a more collaborative and participative approach is another way that CSR affects leadership (Afsar et al. 2020). All stakeholders should be included in decision-making processes, and their opinions and suggestions should be sought after. This strategy develops a sense of ownership and commitment among stakeholders in addition to openness and accountability (Han et al. 2019). Finally, CSR has an impact on leadership by forcing leaders to develop a more comprehensive strategy. Leaders need to think about the social and environmental consequences of their choices in addition to the financial bottom line.

The emergence of SRL

According to George, Aboobaker, and Edward (2020), a leadership style that places a strong focus on moral and social principles in decision-making and actions is known as SRL. It is a leadership strategy that takes into account the needs of all parties involved, including clients, staff, shareholders, communities, and the environment. Leaders that practice social responsibility are aware of how their activities affect others and work to improve society (Han, Wang, and Yan,

2019). Socially conscious executives may enhance the reputation of their company. Businesses that prioritize their social and environmental duties tend to enjoy greater levels of loyalty and commitment from their clients, staff, and investors. Corporate social responsibility (CSR) and socially conscious leadership (SCL) are connected but distinct ideas. According to Afsar et al. (2020), corporate social responsibility (CSR) is a collection of actions that businesses do to improve society as a whole. Examples include lowering their environmental effect and participating in charitable endeavours.

As opposed to CSR, SRL is a larger term that covers CSR as well as other responsible leadership facets including ethical decision-making, stakeholder involvement, and a commitment to social justice (Javed et al. 2020). SRL focuses on the leader's personal values and commitment to positively impacting society. More study on OC and SRL, particularly in India, is still required. Given that India is a fast-expanding nation with a diversified workforce and distinctive cultural values, the opinion here is that it is crucial to comprehend how SRL may be used in this setting. Further research is necessary since cultural obstacles or difficulties in India may interfere with the link between SRL and OC.

Impact of SRL on different organizational and employee outcomes

It has been discovered that SRL has a favorable effect on a variety of organizational results as well as employee outcomes. In terms of organizational outcomes, SRL has been associated with higher levels of employee engagement and satisfaction, better financial results, stronger stakeholder relationships, and greater reputation and trust among stakeholders (Aronson, 2001). In their decision-making, SRL leaders place a high priority on morality and social responsibility. This may improve employee engagement and a sense of shared values, as well as the support and loyalty of clients, investors, and other stakeholders. Additionally, SRL leaders are more likely to provide staff members the chance to participate in socially conscious activities and to support social causes that are dear to them, which can heighten staff members' sense of fulfilment and purpose at work.

SRL has also been linked to positive employee outcomes, such as increased job satisfaction, OC, and perceived social responsibility. Individual attachment to an organization, known as OC, affects their propensity to stick with the organization and exhibit behaviours that are advantageous to it. This concept has several facets, including emotive, ongoing, and normative commitment. A number of variables, including work happiness, perceived organizational support, and leadership style, have an impact on OC. Positive outcomes including reduced turnover rates, better work performance, and higher job satisfaction have been linked to high OC levels. Employees are more likely to feel connected to their work when they perceive that their organization is committed to

social responsibility, and this can lead to increased motivation and productivity (Ahmad & Gao, 2018).

Significance of OC to building responsible leadership

Commitment towards responsible leadership involves a dedication to promoting and upholding ethical and socially responsible practices in all aspects of leadership. He, (Morrison & Zhang, 2019) comment that this involves recognizing the importance of considering the impact of business decisions and actions on stakeholders, including employees, customers, communities, and the environment (Qing et al. 2020). Furthermore, responsible leadership requires a willingness to take responsibility for any negative impacts that may result from business activities and take steps to mitigate these impacts. In the Indian context, this includes addressing issues such as environmental pollution, human rights violations, and unethical business practices (Rameshkumar, 2020). As customers and stakeholders expect more responsibility and transparency from businesses, SRL in India is becoming more and more crucial in the current business environment (Rameshkumar, 2020).

Companies that practice SRL can create a positive brand image in the minds of consumers. They can differentiate themselves from their competitors and stand out in the marketplace driven by OC (Waldman, Siegel& Stahl, 2020). Socially responsible leaders can create a sense of commitment among their employees. When employees are committed to their organization, they are more likely to experience job satisfaction, job security, and higher levels of mental and physical health. Social responsible leadership involves promoting the well-being of employees by creating a supportive work environment that encourages a healthy work-life balance and prioritizes employee development and growth (Wang et al. 2015). This can help to avoid reputational damage, legal issues, and other negative impacts on the business. Socially responsible leaders can make a positive impact on society by addressing social and environmental issues. By doing so, they can help to create a more sustainable and equitable world.

These leadership philosophies place a strong emphasis on both the needs of the community and the advancement of followers. They are founded on morality, honesty, and social responsibility. They understand that in order to improve society and make it a better place for everyone, leaders have a duty to utilize their influence and authority for good. As was already said, CSR has an impact on leadership by pushing decision-makers to take an ethical, long-term, participative, and holistic approach (Qing et al. 2020). This supports stakeholder participation and commitment, openness and accountability, and the creation of a more just and sustainable future. To detect and address societal challenges including poverty, injustice, and environmental degradation, SRL entails acting proactively. Leaders who practice social responsibility are conscious of their effects

on the environment and on society, and they take steps to lessen these effects. CSR is just one element of SRL, despite its importance (Siegel, 2014).

Leaders must connect with stakeholders, encourage ethical behavior across the organization, and take into account the larger social and environmental effects of their actions in order to be considered socially responsible (Gillan, Koch, & Starks, 2021). It has been demonstrated that SRL has a beneficial effect on organizational outcomes like reputation and financial success as well as personnel outcomes like commitment and work satisfaction. There are several examples of businesses in India that effectively incorporated SRL into their business strategies and experienced success (Ahmad & Gao, 2018). For instance, Tata Steel has carried out a number of social and environmental initiatives, such as sustainable mining methods and community development programs, which have improved the company's reputation and stakeholder involvement. In India, SRL is expanding as businesses and leaders see how critical it is to address social and environmental issues.

Many Indian companies have started to show commitment towards SRL in recent years, under the Companies Act, of 2013. This has led to an increase in the number of companies actively abiding by a socially responsible framework and adopting relevant practices. Many Indian companies are also focusing on sustainability and environmental responsibility. For example, Tata Group has launched the "Tata Sustainability Group" to drive its sustainability initiatives (Tata Sustainability Group, 2023). Similarly, Mahindra Group has launched "Sustainability 2.0" to promote sustainability across its businesses (Mahindra Lifespaces, 2023). Some companies are also taking steps to promote ethical business practices and transparency. Infosys, for example, has established a whistle-blower mechanism and an ethics hotline to ensure transparency in its operations. Reliance Industries has launched a comprehensive anti-corruption program to prevent corruption within the organization.

However, the review also found that there are some challenges to implementing SRL in India. One of the main challenges is the lack of awareness and understanding of SRL among Indian leaders. Many leaders in India are still focused on short-term profits and do not prioritize social responsibility in their decision-making. Additionally, there is a lack of formal training and education on SRL in India, which makes it difficult for leaders to implement these practices.

Strengths and limitations

Another limitation of the existing literature is the lack of attention given to the role of followers in the relationship between SRL and OC. While SRL practices are important, the commitment and engagement of employees are also critical factors that influence the success of SRL

initiatives. Therefore, future research should focus on the role of followers in promoting SRL and OC in Indian organizations.

Conclusion

In conclusion, this narrative review provides insights into the existing literature on SRL and OC in India. This narrative review found that there is a positive relationship between SRL and OC in India. Socially responsible leaders create a positive work environment that fosters trust, respect, and fairness, which increases employee commitment, job satisfaction, motivation, and engagement. However, there are some challenges to implementing SRL in India, including a lack of awareness and understanding among leaders and a lack of formal training and education. Therefore, it is important for Indian organizations to prioritize SRL and invest in training and education to ensure that their leaders are equipped with the necessary skills and knowledge to implement these practices. Additionally, the review emphasizes the need for more empirical research and longitudinal studies that examine the effectiveness of SRL practices in Indian organizations. Finally, the review highlights the need for more attention to be given to the role of followers in promoting SRL and OC in Indian organizations.

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Author contributions

EC and AS contributed to the study protocol and conducted a review. AS contributed to the interpretation of data and EC drafted the article. All authors critically revised the article for important intellectual content and approved the final version to be published.

Conflicts of interest

None

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