

CORPORATE SOCIAL RESPONSIBILITY WITHIN ORGANISATION

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Abstract

“No success or achievement in material terms is worthwhile unless it serves the needs or interests of the country and its people “

The 21st century is characterized by unprecedented challenges and opportunities, arising from globalization, the desire for inclusive development and the imperatives of climate change. Indian business, which is today viewed globally as a responsible component of the ascendancy of India, is poised now to take on a leadership role in the challenges of our times. It is recognized the world over that integrating social, environmental and ethical responsibilities into the governance of businesses ensures their long term success, competitiveness and sustainability. Businesses are an integral part of society, and have a critical and active role to play in the sustenance and improvement of healthy ecosystems, in fostering social inclusiveness and equity, and in upholding the essentials of ethical practices and good governance. This also makes business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

Keywords: *Unprecedented, Challenges, Opportunities, Globalization, Imperatives, Integrating and Sustainability.*

Introduction

Corporate social responsibility has originated in India way back a century ago. The Tatas, Birlas and Bajaj have followed the Gandhian principle of trusteeship of surplus wealth. According to Gandhiji, the wealth, in excess of one's needs is held by oneself in trust for society and used accordingly.

The concept of CSR has got wide prominence in today's era. The collapse of big corporate houses has exposed the degree of fraud committed by providing distorted information & data, hurting the sentiments of the stakeholders. The huge escalating profits have caught the eye of common man. Corporate have realized that, in addition to wealth creation, they have the moral responsibility to give back a share to the society from what they have earned.

The concept of “survival of the fittest” in the competitive business environment demands popularly known as “Social Responsibility”. The old forgotten ideology “Give back to the society what the society gave you” has emerged as the concept of society responsibility. CSR is no more luxury but it is need of today. CSR is concerned with the relationship between a corporate & society (which includes its shareholders, government, employees & local community).

The World Business Council for Sustainable Development (WBCSD)'s definition of CSR “CSR is the continuing corporate social responsibility (CSR) is often referred to as business responsibility and an organization's response on environmental, ethical, social and

economic issues. Commitment by business to contribute to economic development while improving the quality of life of the workforce & their families as well as of the community & society at large.”

Caroll has defined CSR as “the social responsibility of business encompasses the economic, legal, ethical & discretionary expectations that society has of organizations at a given point of time” For achieving success, corporate have a three point agenda

- a. Profit making
- b. Environmental concern
- c. Social responsibility

The main objective of running a business is to earn profit & maximize wealth. At the same time, corporate need to show concern towards environment as it will affect their survival in the long run & also, shoulder their responsibility towards societal concerns and behave in an ethical manner as they are also part of the society. Corporate houses have undertaken various philanthropic activities for welfare of the disadvantaged like giving food to the poor, distribution of blankets in winter, construction of temples and many others. With change in time, corporate have adopted a new approach of CSR. More than a charity Gawde Institute Of Management Studies based, such philanthropic activities have become participative empowerment based approach. With change in time, corporate have adopted a new approach of CSR. Empowering the community rather than feeding them so as to enable them to live an independent & respectable life.

CSR within Organisation

It is established fact that the core strength of an organization lies in its human resources and it would not be an exaggeration to say that all other resource can be replaced except human resource i.e. employees. The concept and practice of employer and employee relationship have undergone a change over the last decade. The dominant relationship between the employer and employee is not that of master and servant, but that of partners working for a common cause. The success, image and the profit of any organization largely depends on the contribution of the employees and no employee can give best result in unconducive & poor working environment of the organization. An employee is an asset as well as the brand ambassador of the organization. They are the internal customers of the organization and without satisfying them no organization can satisfy the external customers. Productivity but also about employee commitment and harnessing their potentialities for maximum growth. They are the human beings and therefore they should treat with human approach. They need to be handled with care. Organization should concern not only about employee How an organization treats its employees contributes directly to it being seen as willing to accept its wider responsibilities. An organization through its HR policy shows how much they are sensitive towards the needs and responsibilities of employees HR have a key role in making CSR

work. CSR without HR runs the risk of being dismissed as PR or shallow ‘window dressing’, therefore CSR-HR=PR.

Healthy and Conducive Environments Consist Following Things

1. Workplace happiness
2. Work - life balance
3. Equal opportunity
4. Affirmative action
5. Employee privacy
6. Right to due process
7. Outplacement strategies
8. Occupational transition

A complete health maintenance program in any organization should cover the following aspects

Better Working Conditions

- Adequate supervision and effective maintenance of hygiene in workplace
- Systematic inoculation for preventing communicable disease
- Periodical medical checkups for employees
- Sufficient provisions for treatment of sick employees by health specialist doctors
- Adequate emergency care facilities
- Adopting proactive and reactive approach to employees health problems
- Optimum budget allocation for health measures
- Regular administration of health measures
- Continuous upgrading of medical facilities
- Safety programme
- Ergonomics

In absence of proper health maintenance programme and poor ergonomics system the performance of the employees will be declined.

Salary Perquisites, Incentives

The important issue is ‘Does money matter?’The answer is YES. Money definitely provides a means for having a more affluent lifestyle. In job situations, money motivate behaviour when it rewards people in relation to their performance that is when the employer is perceived as fair and equitable and provide rewards in recognition of the employee’s true value. At different stages in one’s life and career pay and compensation are perceived differently. Research indicates that employee satisfaction with pay directly proportional to commitment to the organization and trust in the management in any

organization the motivational factor for the employee to increase productivity is compensation and other benefits attached to it. An organization reward model should include, Job based pay, Competency based pay, Salary ranges, Career path based pay, Geographic differentials, Merit increases, Performance awards, Individual variable pay, Team Variable pay, company profit sharing, Stock options, Employee benefits and services, Health and life insurance, Retirement and investment, Disability and long term care, Training and education, Company events, Employee discount services, Development & recognition, Public/private recognition, Verbal/informal recognition, Personal item rewards, Special award bonuses, Promotions and Professional development.

Corporate Governance

In recent years, Corporate governance has received increased attention because of high profile scandals involving abuse of corporate power and in some cases alleged criminal activity by corporate officers.

The concept of corporate governance is not new. Kautilya Said “Sukhasaya -Moolam Dharama” means root of all happiness is doing right. “Dharmasuya Moolam Artha” means root of doing right is the root of wealth.

Corporate Governance is a term that refers broadly to the rules, processes or laws by which business are operated. The term can refer to internal factors defined by the officers, Stockholders or constitutions of a corporation as well as to external factors such as consumer groups, clients and government regulations. Corporate governance is holding a balance between Economic and social goals between individuals and community goals.

Eight Characteristics of Good Governance as Defined by the United Nations

1. Accountability
2. Consensus Oriented
3. Effectiveness and Efficiency
4. Equity and Inclusiveness
5. Participation
6. Responsiveness
7. Rule of Law
8. Transparency

Suggestions

Corporate for their long term survival, sustenance, growth and development have to focus on CORPORATE BRAND VIRTUES through communication, differentiation, and innovation and above all through enhancement of esteem and Loyalty in which organization is held by its customer, as well as by stakeholder group and networks - CSR will make a qualitative difference in the overall functioning of the corporate held by its customer, as

well as by stakeholder group and networks - CSR will make a qualitative difference in the overall functioning of the corporate.

Example

Let the World Know What is "Corporate Social Responsibility the Tata Gesture

1. All category of employees including those who had completed even 1 day as casuals were treated on duty during the time the hotel was closed.
2. Relief and assistance to all those who were injured and killed
3. The relief and assistance was extended to all those who died at the railway station, surroundings including the "Pav-Bhaji" vendor and the pan shop owners.
4. During the time the hotel was closed, the salaries were sent by money order.
5. A psychiatric cell was established in collaboration with Tata Institute of Social Sciences to counsel those who needed such help.
6. The thoughts and anxieties going on people's mind were constantly tracked and where needed psychological help provided.
7. Employee outreach centers were opened where all help, food, water, sanitation, first aid and counseling was provided. 1600 employees were covered by this facility.
8. Every employee was assigned to one mentor and it was that person's responsibility to act as a "single window" clearance for any help that the person required.
9. Ratan Tata personally visited the families of all the 80 employees who in some manner - either through injury or getting killed - were affected.
10. The dependents of the employees were flown from outside Mumbai to Mumbai and taken care off in terms of ensuring mental assurance and peace. They were all accommodated in Hotel President for 3 weeks.
11. Ratan Tata himself asked the families and dependents - as to what they wanted him to do.
12. In a record time of 20 days, a new trust was created by the Tatas for the purpose of relief of employees.
13. What is unique is that even the other people, the railway employees, the police staff, the pedestrians who had nothing to do with Tatas were covered by compensation. Each one of them was provided subsistence allowance of Rs. 10K per month for all these people for 6 months.
14. A 4 year old granddaughter of a vendor got 4 bullets in her and only one was removed in the Government hospital. She was taken to Bombay hospital and several lacs were spent by the Tatas on her to fully recover her.
15. New hand carts were provided to several vendors who lost their carts.
16. Tata will take responsibility of life education of 46 children of the victims of the terror.

17. This was the most trying period in the life of the organization. Senior managers including Ratan Tata were visiting funeral to funeral over the 3 days that were most horrible.
18. The settlement for every deceased member ranged from Rs. 36 to 85 lacs [One lakh rupees organization to approx 2200 US \$]

In Addition to the Following Benefits

- a. Full last salary for life for the family and dependents;
- b. Complete responsibility of education of children and dependents anywhere in the world.
- c. Full Medical facility for the whole family and dependents for rest of their life.
- d. All loans and advances were waived off irrespective of the amount.
- e. Counselor for life for each person

Conclusion

According to me when the unethical practices to continue to dominate headlines and the dishonesty and wrong practices derailing the organization and ultimately leading to their closure, a manifesto for change offers persuasive proof that companies that combine profit making with a concern for ethical values and the greater social good do better than those that concentrate only on the bottom line.

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