Impact On Corporate Social Responsibility

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ABSTRACT

In today's world, there is new significance to the CSR (Corporate Social Responsibility), provided that in the society, firm's boundaries have been extended. Here, of CSR practices' broad patterns among 10 Indian corporations based in Pune District has been discussed in this paper. According to the Indian scenarios, CSR concept has been explained, various social concerns referred by Indian corporations are explained as well as for addressing these concerns various methodologies are adopted by them that are explained. Furthermore, it has been also discussed that how these deprived and disadvantaged people's lives are changed with the help of CSR activities. This will be helping readers in understanding the present Indian CSR's state, how Indian Companies conduct their CSR, identify key CSR practices, study the deployment of current CSR practices, measure its impact on the Indian society. Corporate Social Responsibility is not a passing trend or a fad, whereas it is considered as a business imperative which various Indian companies are starting to consider or engaging with it in a way or other (Ramya Sathish, 2010). In terms of corporate social responsibility, for public companies, some conflicts are present there. Various stakeholders forced them as well as main objective is profit maximization. The corporate social responsibility is generally considered as the resources' diversion The emergence of socially conscious businesses is on the growing. Building on the numerous initiatives and policies that can manage both the social and profitability responsibility rates, businesses like small to medium-sized enterprises (Indu Jan, 2010.). According to rule, qualifying successful businesses must split at least 2% of their annual average net profit from CSR over three years.CSR money has been spent on some areas that includes Education, Sanitation, Safe drinking water, Malnutrition, Eradicating hunger and poverty, Health for Solar Energy, Old age homes, Women empowerment, Gender equality, Clean Ganga Fund, Swachh Bharat Kosh, Rural development, differently-abled, Livelihood. Corporate Social Responsibility – The Journey has begun

Keywords: Sustainability, Health, Environment, Stakeholders, Planet. Without a sense of caring there can be no sense of community.

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IntroductionCorporate social responsibility, or CSR, refers to the belief that businesses have an obligation to society beyond their commitments to their stockholders or investors. In addition to generating profits, companies are expected to have some responsibility to stakeholders such as employees, customers, communities, and the environment. CSR includes corporations being economically responsible, improving labor practices, embracing fair trade, mitigating environmental damage, giving back to the community, and increasing employee satisfaction.

History of Corporate Social Responsibility

American President Calvin Coolidge said in the 1920s that "the chief business of the American people is business." It was a popular observation in a time of economic prosperity, when issues such as energy security and climate change were practically nonexistent.

Almost a century later, things are very different. Now, more than ever, private enterprise is being called upon to exercise social responsibility, especially when it comes to the environment. This trend reflects the view that companies ought to do more than simply meet the letter of the law and the bare minimum of ethical business behavior. Today we discuss the idea of "corporate social responsibility."

President Coolidge, like many American presidents before and since, kept government out of the affairs of business as much as possible. But starting in the 1960s and 1970s, the environmental impact of an ever-expanding economy was generating more and more protest from citizens. The result was a wave of legislation designed to reduce the pollution produced by business activity. Those laws had positive effects and are now vital parts of the American regulatory framework. But despite these regulations, controlling pollution continues to be a challenge. And now there are even larger problems on the horizon.

Even though businesses today are more efficient and use fewer resources to make goods— thanks to technological advances— many ecosystems continue to suffer. This is because the scale of economic activity grows every year, despite environmental improvements by individual enterprises.

Starting a few years ago, many citizens in the U.S. and around the world began calls for more action from private enterprise on these social issues—beyond compliance with regulations and traditional charity-related work. The result was a new movement known as corporate social responsibility, or CSR.

NEED FOR CORPORATE SOCIAL RESPONSIBILITY

Over the world various economies are opened up by globalization as well as various investment scope are offered throughout the world as well as developing countries has several new opportunities for global participation in cultural and socio-economic affairs (Archie B Carol, 1999). CSR (Corporate Social Responsibility) is organizational promise for balancing financial performance while contributing to employee's life's quality, also, society and local community is acquiring global values as a social effort and business tool. In India, CSR has become ever more popular because organizations have recognized that establishing trustworthy and sustainable partnerships with the general population are important, as well as growing their sector.

CSR is also an academia and management activity field that is dramatically expanding. CSR operations will also not only be restricted to the organization itself, but will also affect its economic associates and populations. Regulation obviously provides the baseline for corporate action, notably for health, education, women empowerment, employment and environment. Besides this, becoming a good business citizen is a critical part of their vision, beliefs and identity for many businesses. Business dynamics also lead several companies to go "over and beyond enforcement" with foreign supply chains, in particular. Corporate companies have taken an important role in social roles in recent years. Companies have begun to understand and take action towards the corporate social responsibility's significance. In the present times, companies" objectives are not restricted for improving competencies, economic gains or profit maximization but simultaneously ensuring social responsibility's promotion which includes consumer interest; environmental protection (Friedman, Milton, 1970).

REASONS THAT MOTIVATE ORGANIZATIONS TO INVOLVE IN CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

It was known that CSR is responsible for the effect of its decisions on several customers where today companies believe that they are responsible for their actions. You believe that today's fundamental motive for CSR is to make the overall influence of the business on society and its collaborators more successful. Various groundbreaking projects are being developed in the fields of microfinance, environment, education, public health as well as other associated areas.

Community Development

Most big corporations have their own foundations or invest in additional programmers, particularly in agriculture, education and health, which directly help in upliftment of community.

Consumers Satisfaction

Responsible businesses owe their clients greater attention. With declining foreign market borders, customer awareness about the environments under which goods and services are made along with the impacts of sustainability is becoming more conscious and challenging. Many future customers who operate CSR operations demand identical programmers from their providers. Selection is often dependent on the supplier's social tolerance.

Employees Satisfaction: In any organization, more than financial benefits other things are required by youth. A pride sense is considered by them when they are associated with the organization that is responsible for their social growth. The recruitment, hiring as well as development of best young talents will supported by good CSR activities. Studies suggest that skilled people prefer to stick with an organization until meaningful work is completed.

Image Building

Unethical and unregulated practices might result in ruining the organization's reputation and image in days. Therefore, in image building, one of the main characteristics is imbuement of CSR practices. Furthermore, dangerous work environment, child labor violations, environment disasters, and corruption scandals" risks can be avoided by the organizations with the help of CSR practices. It is increasingly appropriate, however, that the notion that CSR is essential for sustainability and can avoid the loss of consumers, shareholders and workers. In the creation and execution of CSR programmed, businesses feel happy as well as proud, and such pride fills workers. The sense of social obligation gives them a sense of excitement. It also acts as a calming break from the worldly workplace, giving your life a sense of happiness and a sense of purpose.

OBJECTIVES OF RESEARCH

Social Impact of CSR on Indian Society with special reference to Pune district is to be evaluated. Qualitatively or quantitatively for verticals either in Safety, Health, Environment, Education, Women Empowerment, Skill Development, Vocational Training, Infra Structure Development, Rural energy, where the Corporates have their CSR activities under implementation, in verticals they have chosen to do so

- ❖ Determining the CSR program effects on Environment.
- ❖ Determining the CSR program effects on Education.
- ❖ Determining the CSR program effects on Health.
- ❖ Determining the CSR program effects on Women empowerment.
- ❖ Determining the CSR program effects on Safety.

INSTRUMENT OF DATA COLLECTION/ INTERVIEW SCHEDULE

In order to understand trends, Issues and Strategies of CSR clearly, two Separate well-structured questionnaires were prepared; one for CSR managers and another one for CSR beneficiaries. The questionnaire was prepared in two different languages i.e., English and Marathi, by considering that the study population's spoken languages was Marathi as well as there were many people staying surrounding to organization, who did not understand Marathi.

To meet the study objectives the researcher kept open ended, close ended and descriptive types of questions in questionnaire.

Even though keeping in mind the cause and consequences the researcher has gone for a pilot study in a form of Pre-Testing the prepared interview schedule and incorporated the necessary medication before starting the final field survey.

Same questionnaire was discussed with CSR experts from implementing Organizations (not in the 10 Organizations selected) and a statistician incorporated those necessary changes to the questionnaire with the intention that the researcher, respondents, management and community view point should not face any problem in understanding and filling up the questionnaire themselves.

FIELD EXPERIENCE

Annual reports were used for acquiring interviewer's names and contact details as well as for browsing through the websites of companies. Private and multinational organizations were found to be friendlier in responding to the questionnaires. Moreover, the organizational managers showed interest in getting feedback from researcher about the impact of their ongoing CSR. Overall conducting interview of community respondents appeared to be easily compared to management interview. The researcher used to camp in nearby surrounding places in order to reach the survey site in time according to the convenience of the community respondents. In certain cases, researcher used to stay back in the field area till late night but also used to revisit the sample houses two to three times in order to complete the interview.

RESEARCH DESIGN

Study Subjects

The subject (research problem) selected by the researcher after doing the through critical review of literature and the topic chosen entitled "Impact of Corporate Social Responsibility on Indian Society with special reference to Pune District".

Selection of Study Area

One of the ways of understanding the CSR concepts as well as its related issues is by studying the characteristics of the stake holders. So as for attaining the study objectives, it was felt that primary data collection was required from those organizations who were involved in CSR and located in Pune District - Maharashtra was selected as the study area as it is one of the highly industrialized state of India3 Universe: The universe of the study comprised all the organizations established under the Factories Act-1948 in Pune, Maharashtra and communities located surrounding to them.

Sampling Methods

For the study purpose, the population was all organizations or firms those who were undertaking CSR activities in Pune districts and the people staying around these organizations as beneficiary study respondents. Since, population's complete coverage was not promising, population's subset was chosen. For conducting this study, prominent Limited industries were selected who were CSR implementing organizations. The reasons behind this were that: Initially, there does not exist any possibility for completing all Corporations, Companies or enterprises list located in Maharashtra, Secondly, there are no such sources which, provides list of all organizations conducting CSR activities. Reason for applying simple random sampling method for selecting community respondents were that first, the researcher doesn't know the community (Population size), until researcher interviews the CSR implementing managers.

Sample size of Organizations

To accomplish the study objectives and taking consideration of time and expenses, the researcher has selected Ten Leading organizations from (Private and MNCs) Manufacturing sector (except Persistent who are in service sector), believed to be involved in current CSR activities. Another criterion was accessibility to these Organizations. The reason for selecting only Ten (Private and MNCs) organizations; as mentioned in the objectives, as the study to understand impact of CSR activities on community, was not possible to go beyond this number because of availability of time and resources, in term of money and manpower. Connecting to these Organizations was possible as had interacted with them during my working career.

Sample Size of Community Respondents

Several experts expressed several opinions on sample size selection that signifies that in a sample representativeness is not ensured by the bigger size. There is possibility that in comparison to the larger selected samples, smaller ones result as more superior whereas selected sample is bad. Furthermore, it has been determined for collecting the required detailed information from ten organizations and fifty respondents from each organization tallying in to the total of 500 respondents from the community were interviewed Secondly

for a population greater than 10,000, sample size of 385 is sufficient. In my case the total population of 10 Organization is greater than 10,000 hence sample size of 500 is justified.

HYPOTHESIS

- ❖ Attaining positive sustained growth through CSR.
- ❖ Determine whether linkage exists between spends on CSR and Impact on Society with respect to Education, Health, Environment, Women Empowerment, Vocational Training, Skill
- ❖ Development, Safety, Rural Energy, Infra Structure can be determined.
- ❖ Improvement on parameters of Triple Balance Sheet i.e., Social, Environmental, Economical.

FINDINGS ON OBJECTIVES OF RESEARCH

Effect of CSR on Health

- ❖ New born children are provided with inoculation against Small Pox, Diphtheria, Anti Tetanus   and doses for preventing Polio.
- ❖ Mothers are provided with supplements post-delivery enabling them to improve on their health faster, in case of C section special care is provided from Organization Hospitals. Trained nurses are made available pre and post-delivery.
- ❖ Health checkups camps are carried out every 6 months for Children, and adults. They are educated on importance of dental care, hygiene, sanitation.

Effect of CSR on Education

- ❖ Attendance in Primary and Secondary schools have improved due to laying of Tar roads from residence to schools.
- ❖ Provision of Toilets for girl students in Secondary schools has eliminated school dropouts, which was extremely high earlier.
- ❖ Computer awareness amongst Secondary school children has improved their awareness in science and general knowledge. Trend on continuing education post Higher Secondary Examination has vastly improved.

SUGGESTIONS

Depending on the present research study's most important findings, a few suggestions has been provided by the researchers with future research development scope in the corporate social responsibility's area and these suggestions are describes as below:

a. The survey showed that the general population was not well aware of the CSR definition (41 percent), so that CSR programmed ought to be made more successful by the general public. This initiative would also inspire other businesses in joining the League as well as

plays an important role in resolving issues like accessing livelihoods, health care and education quality for many people in India through creative CSR practice. This will boost the social justice movement of the day.

b. The private sector's position and efforts to advance the development agenda with a emphasis on disaster management, women empowerment, livelihood, environment, health, education, to name but a few, are noticeable and successful. In order to better refine the development plan into its project mode, the three main partners propose the substantive and organizational models of interaction. The Government, NGOs and private sector are discussed and tackled jointly.

c. It has been shown by the study that for industrial operations CSR"s positive implications among corporate houses, there is need of its acceptance and awareness.

CONCLUSION

CSR (Corporate Social Responsibility) is a challenging and subtle issue for businesses to discuss. It also costs a lot and results in advantages that are impossible to calculate. Maybe this is an explanation why businesses have concentrated on organizational reforms, like enhancing corporate accountability and governance, according to the report. This could explain why historically significant workers and shareholders are the key players after customers (Bimal Arora, Ravi Puranik, 2004).

That also needs to do with the degree of corporate social responsibility that businesses should use and the extent to which they should go above the demands of regulation. There is an unresolved argument over what corporate social responsibility means.

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