C.S.R: A Social work Approach

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Abstract:

Corporate social responsibility is a form of corporate self- regulation integrated into a business model. The aim of the CSR has been seen as the rendering of services of the organization towards upliftment of the people of the society. The CSR takes into consideration the wide verity of issues like environment, poverty irradiation, youth empowerment, training and development, welfare of the people and healthcare. In this article analyses the meaning of CSR, CSR in law, and some theories of CSR available in literature. Describe meaning of social work and approaches of social work in CSR.

Key Words: CSR, Social Work Approach

Introduction:

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 responsibility into the governance of business ensures their long term success, competitiveness and sustainability. These move toward also reaffirms the view that businesses are a part and parcel of society. And have a significant and vigorous role to play in the nourishment and improvement of healthy ecosystem's, in   fostering social inclusiveness and equity, and in upholding the essentials of ethical practice 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.

As a concept CSR has been the focus of many deliberations and research. It has grown in importance both academically as well as in the business sense. It captures a spectrum of values and

criteria for measuring a company's contribution to social development. As the term CSR is used continually, many complementary and overlapping concepts, such as corporate citizenship, business ethics, stakeholder management and sustainability, have emerged. These extensive ranges of synonymously used terms indicate that multiple definition have been devised for CSR, mostly from different perspectives and by those in facilitating roles such as the corporate sector, government agencies , academics and the public sector.

Understanding about CSR:

➢ Corporate social responsibility widely known as CSR, encompasses the role the business sector in protecting the natural environment as well as protecting basic human rights, labour standards and other related welfare activities in its sphere of influence.

➢ Corporate social responsibility (CSR) is defined as commitment of business to economic development with contribution to the quality of life of their employees, local community and society at large. It is gaining worldwide value as a business tool and social effort towards development.

➢ Corporate Social Responsibility (CSR) also has been defined as an obligation to pursue those policies, to make those decision, or to follow those lines of action that are desirable in terms of the objectives and values of our society. (Marrewijk, Vidal and Kazaks (2008).

C.S.R in India

India has a long tradition of paternalistic philanthropy. The process, though acclaimed recently, has been followed since ancient times albeit information. The concept of helping the poor and disadvantaged was cited in several ancient literatures. In the pre-industrialized period philanthropy, religion and charity were the key drivers of CSR. The industrial families of the 19th century had a strong inclination toward charity and others social consideration. However the donation, either financial or otherwise, were sporadic activities of charity or philanthropy that were taken out of personal savings, which neither belonged to the shareholders nor did it constitute an integral part of business. During this period, the industrial families also established temples, schools, higher education's institutions and other infrastructure of public use.

The term CSR itself came into common use in the early 1970s. The last decade of the twentieth century witness a shift in focus charity and traditional philanthropy toward more direct engagement of business in mainstream development and concern for disadvantaged groups in the society. In India, there is a growing realization that business cannot succeed in isolation and social progress in necessary for sustainable growth. An ideal CSR practice has both ethic and philosophical dimensions, particular in India were there came into existence a wide gap between section of people in terms of income and standards as well socio-economic status (Bajpai, 2001).

India companies are now expected to discharge their stakeholder responsibility and societal obligations, along with their shareholders-wealth maximization goal. Nearly all leading corporate in India are involved in corporate social responsibility (CSR) programmes in area like education, health, livelihood creation, skill development, and empowerment of weaker sections of the society. Notable efforts have come from the Tata Groups, Infosys, Bharti enterprises, ITC Welcome groups, India Oil Corporation among others.

The 2010 list of Forbes Asia's 48 Heroes of Philanthropy' contains four Indians. The 2009 list also featured four Indians. India has been named among the top ten Asian countries paying increasing importance towards corporate social responsibility (CSR) disclosure norms. India was ranked fourth in the list, according to social enterprise CSR Asia's Asian Sustainability Ranking (ASR), released in October 2009.

C.S.R and Social Work Approach:

One of the approaches that than be adopted by the companies is by mapping stress levels generated by them as a direct result of their operations. Indicatively the stress may occur on the ecology of its areas of manufacturing and operations. Some of the companies may have strained the social fabric of the society as well. Three areas of concern may be cited for this analysis:

- Environmental.
- Change in demographic
- Cultural habits

Augmentative Approach:

There are a lot of issue of important that require attention and may not be directly related to the enterprise's operations. If an enterprise chooses to invest on social issues unrelated to the circle of influence of the enterprise it may be termed as an augmentative approach to CSR.

The CSR committee formed for this purpose will have to deliberate the issue in an exhaustive manner and formulate the CSR policy. The CSR policy adopted must clearly bring out the following:

- The CSR vision and mission of the company.
- The Goals that every project being adopted is stated to achieve.
- Cost benefit analysis should be done for choice of project.
- The measures of success for each of the project are defined.
- The integration roadmap of the CSR initiative with the company operations.
- The CSR communication strategy.

Pooling Approach:

The Pooling approach towards CSR can be adopted where individual firms are of small size and their CSR outlay is not enough to drive the chosen imitative. The firm may in that case either adopt a scale of the project which it can fund and sustain or may create a single pool of CSR funds companies in the same cluster or industry. The companies can get benefit like mention below:

- Focused approach can be adopted for CSR initiative;
- Skilled manpower to undertake CSR imitative;
- As economies of scale set in more funds will be available and therefore large scale project could be undertaken;
- Sustained efforts can be channelized as the SPV would be independent of the stakeholders;
- Companies would be exonerated of the day to day functioning of the SPV;
- Structured evaluation and monitoring techniques like periodic utilization audits and impact assessments can be conducted;
- The credit for the good work done by the SPV will be shared by all the investing companies.

Philanthropic Approach:

The oldest and the most pervasive method of CSR are done by providing generous donation of money and materials to organizations working for a cause of socio-economic-environmental causes and be termed as the philanthropic Approach. The Income Tax Act, 1961 provides deduction of up to 100%U/s 80G to such donations. Under the current income tax act, all donations to the Prime Minister's Relief Fund shall qualify as a valid CSR activity. One of the major advantages of this approach will be that the total amount contributed will be eligible for deduction from the total income for tax purpose in the year of contribution.

The philanthropic approach has certain advantages. A brief discussion is appended below;

- The enterprise will find this easy to implement, as the CSR committee has to just shop for programs from NGOs and government organizations for funding.
- The organization does not need to develop in-house skills for execution of chosen projects and the same will be done by subject matter experts.
- The organizations can get a tax advantage from the CSR activity. However under other approaches the tax advantage is still disputable.
- The organization can change the programs it supports easily as it does not have ownership over the programs and empanel new programs from the available from the market.

Trident Approach:

This is essentially an approach where an enterprise chooses a very Broad theme of CSR and then chooses projects which are Restorative, Augmentative and Philanthropic in nature depending on the local requirements.

Companies can through the Trident Approach provide very broad guidelines on CSR activities to be conducted. The managers at all levels will choice and formulate programs with their teams and implement it.

Theories of CSR:

Since there is a great heterogeneity of theories and approaches of CSR, discussion here is based on a comprehensive analysis by Secchi (2007) and it is compared with an analysis by Garriga and Mele (2007). Secchihas has come up with a group of theories based on a criterion what role the theories confer to the corporation and society. The theories are as follows:

1) The utilitarian theory.
2) The managerial theory.
3) The relational theory.(Seen Table-1)

On the other hand , Garriga and Mele's (2004) analysis maps CSR into four types of territories. They are:

1) Instrumental theories.
2) Political theories.
3) Integrative theories.
4) Ethical theories. (See Table-2)

Table – 2 Describes the theories and the relevant approaches. There is no doubt that some similarities do exist in both conceptualization of CSR and the discussion will be based on emphases and approaches.

: Table 1 :

Utilitarian, managerial and relational theories **of CSR**

Utilitarian Theory	Managerial Theory	Relational Theory
Theories on social costs Functionalism	Corporate social performance Social accountability, auditing and reporting (SAAR) Social responsibility for multinational	Business and society Stakeholder approach Corporate global citizenship Social contract theory

Source: Secchi (2007:350)

: Table-2:

Corporate social responsibilities theories and approaches

Types of theory	Approaches	Shorts description
Instrumental theories (Focusing on achieving economic objectives through social activities)	Maximization of shareholders value Strategies for competitive advantage Cause – related marketing	Long term value of maximization Social investment in a competitive context Firm's view on natural resources and its dynamic capabilities Altruistic activities socially recognized as marketing tool
Political theories (focusing on a responsible use of business power in the political arena)	Corporate constitutionalism Integrative social contract Corporate citizenship	Social responsibilities of businesses arise from the social power the firms have Assumes that a social contract between business and society exists The firm is understood as being like a citizen with certain involvement in the community
Integrative theories	Management issues . Public responsibility Stakeholder management Corporate social performance	Corporate response to social and political issues Law and the existing public policy process are taken as a reference for social performance Balances the interests of firms' stakeholders Searches for social

		legitimacy and processes to give appropriate responses to social issues
Ethical theories (Focusing on the achieve a good society)	Stakeholders normative theory Universal rights Sustainable development The common good	Considers fiduciary duties towards stakeholders of the firm. This requires some moral theories Based on human rights, labor rights and respect for environment Aimed at achieving present and future generations Oriented towards the common good of society

Source: Garriga and Mele(2004:63-64).

Conclusion:

The concept of corporate social responsibility has gained prominence from all avenues.CSR can playa valuable role in ensuring that the invisible hand acts, as intended, to produce the social good. In addition, it seems clear that a CSR program can be a profitable element of corporate strategy, Contributing to risk management and to the maintenance of relationship that are important to long-term profitability.

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