

# National seminar on corporate social responsibility management essay



The growing significance attached to Corporate Social Responsibility in this ever changing world cannot be undermined. The subject of CSR has evolved during last few decades from philanthropic activities to integrating the interest of the business with that of the community in which it operates. By exhibiting socially, environmentally and ethically responsible behavior in governance of its operations, the business can generate value and long term sustainability for itself while making positive contribution in the betterment of the society.

## **Goals and Objectives**

This seminar aims at focusing on engagement innovation and outcome.

Since many firms, both big and small have either implemented CSR or are in the process of doing so, we have invited such players to share their experiences, challenges and innovations undertaken in this sphere.

Challenges need to be addressed through suitable efforts and interventions in which all the stakeholders need to partner together to find and implement innovative solutions.

## **Speakers in Technical Session**

Seven Speakers were invited to give a talk and discuss recent CSR environment in the first technical session. Following are the names of the speakers in the sequence of their talk:

Ms. Simi Suri, Group Manager, CSR, HCL

Mr. Joginder Bajaj, GM, MASD & Marketing, Punjab National Bank

Mr. Rameshwar Giri, Senior Manager Social, Tehri Hydro Development Corporation India Ltd.

Mr. Anil Jaggi, ICT4D and CSR Consultant, CEO, Green Earth Alliance

Mr. Vikrant Mahajan, Country Director, Sphere India

Mr. Mandeep Singh, D Light Energy

Ms. Anandita Pahwa, Head CSR Initiatives, Bry Air Pvt. Ltd.

## **Main Discussion**

The first speaker was Ms. Simi Suri, Group Manager, CSR, HCL. She gave a glimpse how HCL does Corporate Social Responsibility. What it means to them and how they are working on it. HCL is tier one IT service provider company. The secret of their success is that HCL believes in keeping things simple. CSR for them means working. Employee first, customer second is the motto which was put forward by Mr. Vineet Nayar, CEO, HCL. HCL Believe in its employees. When they channel the energy of 80, 000 employees across 31 countries into one funnel it can very well solve any problem. This is how their CEO thinks. HCL organizational pyramid is bottom driven. It is not cascading from the top. To implement CSR they have started the policy under HCL Technology (HCLT) foundation. It is a CSR trust institutionalize by HCL Technologies to support the power of one initiative. HCLT foundation will provide dignified life to one lakh under privileged individuals, infrastructure, health and hygiene and extra-curricular activities. ' Power of one' is about every HCLite spending a day with the community and experiencing the power of giving. Objective of power of one is to strengthen employee

commitment to society and environment. They believe that the power of one will further strengthen the employee ability to lead work in teams and be the catalyst of social change. Referring Mr. Punj she agreed on his saying that they are not giving anything to the society. Donation of Re. 1 every day can be referred as one day of volunteerism. 25, 000 employees give Re. 1 every day to this fund set up by the company and contribute towards for the betterment of 30, 000 children's and adults. Company matches the amount to this fund contributed by the employees. Their target audiences are government schools which are close by the NCR region.

Power of one focusing programs are:

Social recycling – distributing clothes

Friend in need -conducting blood donation camps, food drive

Just like us – creating and supporting sustainable livelihood physical mentally challenge members

HCLT youth club- set up in all the schools and slum areas

Teach @ office – in-house employees, guards and house keeping

Renew – plantation drives

Through MEME which is in-house social network of HCLits are connected with this programme and harmonizing positive energy.

Second speaker was Mr. Joginder Bajaj, GM, MASD & Marketing, Punjab

National Bank. He started his talk by asking two questions to the audience

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that how many of us write both side of the paper? And whether India is a poor country or a very high income country? Then he told that 10% of Indians have better affordability than Americans. He described CSR as:

C - Companies business units

S - Society stakeholders

R - Social environment

CSR is giving back to society. Dharmshala is the best example. Triple bottom line is ' People, Planet and Profit' and we are responsible for all the three. He quoted a quote from Times of India published on September 21st, 2012 on Pg. 7 " India Intl. takes CSR route to expand biz". From philanthropy we are moving towards CSR. CSR at PNB is done through Improvement Initiatives. Financial institution play indirect role towards objectives. PNB has adopted following measures to fulfill their CSR:

Opened branches at non accessible places like Himanchal since 1970.

Trust - farmers training colleges

PNB Vikas village adoption

Priority sector lending beyond 40%

Social & Green Initiatives - PNB Prerna is a voluntary organisation in which wife of senior officers of the bank & lady officers do charity and teach.

PNB hockey academy started in the year 2002. There are 50 sportsmen. 25 below 19 and 25 above 19 years of age.

Health camps, medical checkups.

Plantation activities – responsible to planet

Scholarship to needy students

At last he quoted “ Creating a strong business and building a better world are not conflicting goals – they are both essential ingredients for long-term success” By William Clay Ford Jr. Executive Chairman, Ford Motor Company.

As a third speaker Mr. Rajeshwar Giri, Senior Manager Social, Tehri Hydro Development Corporation India Ltd., was invited. He put forward his vision about CSR saying CSR should be in the DNA of corporations so they have taken this in their vision that major global player in power sector provide quality, affordable and sustainable power with commitment to environment ecology and social values. THDC Schedule A mini Ratna category one CPSE in power sector. CSR is the responsibilities corporations had towards societies within which they are based and operate. Triple bottom line approach is represented by People, planet & profit. CSR requires three basic things: TEA – Transparency, Ethics and Attitude. He shed some light on the concepts of Corporate Citizenship, Corporate social responsiveness and corporate social performance. CSR though is a very effective social tool in the hands of corporates but had some limitations which are it restricts free market goal of profit maximization, business is not equipped to handle social activities, increases business power and limit the ability to corporate in

global market place. A healthy society requires three vital sectors, One a public sector with effective governance two, a private sector of effective businesses and three a social sector of effective community. Business cannot flourish in a sick society. Do not harm should be the guiding principle. CSR should not be viewed as drain of resources. They assess the need of the area & implement CSR. Focus is on self-help groups. They have adopted 18 villages in 2 cluster in Kotishwardan & Kandisaur area. Self-help group of farmers for revolving fund, seasonal vegetables, soil testing for cultivation are made. Under Bry stream they are digging water pits. The motto is Shikha ke saath rozgaar bhi.

Mr. Anil Jaggi, ICT4D and CSR Consultant, CEO, Green Earth Alliance was invited as a forth speaker. He started his talk by asking a question whether CSR is complementary or contradictory to business. B-schools have started to teach CSR. IIT Roorkee, IMT Ghaziabad, BHU has taken initiatives in this field. Recently Parliamentary Standing Committee has asked for 2% of profit mandatory for CSR. He then referred to Mr. Punj who addressed a very good thing that morning was there should be Indian system of CSR but when we see the International Human Development Report Index we find that India's position is 126 or 134 which is very contradictory. So debate is still on whether 2% mandatory should be done or not and what issues we have to face. Public sector is doing lot of CSR activities but for Private sector it is very challenging. There are two types of CSR one internal & second external. CSR is either market driven or management driven like Tata's, Birla's have done. Why 2% of profit is mandatory as a legal issue. There are companies who are spending much more up to 10% of profit on CSR activity but as Mr.

Punj said that it should be value system driven CSR but if that was a good system why still 30% of Indian population is still below poverty line after 65 of years of independence. They asked students in B school how many of them wanted to work in CSR or NGO sector only 2 students in a class of 90 students raised their hands. They don't know why CSR is required? Whether to do it or not? Development should be sustainable. Research findings who study economics in climate change claims that we all have 10 -20 years before we reach at reversible tipping point for food water. He discussed a British petroleum Case study about how they lowered carbon foot print and how Ikea sales picked after adopting CSR compliance. There are three steps for CSR. These are pre-compliance, compliance- ISO 26, 000, ONGC, GRI and beyond compliance. Corporates should integrate sustainability with CSR.

Mr. Vikrant Mahajan, Country Director, Sphere India was invited to come up next as a fifth speaker. He started his speech from thought provoking question from the audience that how many maximum hours/days can you stay in a plane? And asked to think upon the miserable situation, if this time stretches to weeks, months, years or for life time. Government statistics/figures shows number of people living in Assam Camps are 1, 92, 000 and number of toilets available for 400 people is 10 for uncertain future. He made a comment that we are very much glamorized by American model. We should keep community in our mind when we talk about CSR model. Is the minimum responsibility for CSR 2% of profit? No it is not. It should be making people live with dignity. Minimum requirement of Water, Food, sanitation, shelter, services and education must be fulfilled. At this forum he addressed to everyone that all should think about collective efforts which



was earlier addressed by Dr. Suman Chahar that Government, NGO's and corporate should come forward together then they can address most of the challenges. He put forward a very unique concept of need driven CSR.

Describing social part of CSR he addressed that we have Government and non-government organisations. In Non-Government we have corporates, NGO's, media and each one has a role to play in this collective responsibility. Referring Article 21 he described it is the responsibility of the Government to ensure right to life of the people and we have the responsibility to ensure that the Government delivers its responsibilities and must help Government in delivering that. Corporate first social responsibility is to do responsible business. Do ethical business like avoid child labour. Second take care of adjoining communities. Corporate should get more involve in disasters. He raised two sensitive questions. One, what happens to your supply chain when disaster strikes? And second, what happens to your information channel when disaster spreads?

As a sixth speaker Mr. Mandeep Singh, D Light Energy was invited to share his thoughts with the audience. In a very effective manner he questioned the way we all think. Everyone talks about bottom of pyramid and we say let us find fortunate bottom of pyramid but it is not about finding fortunate its creating fortunate. Another aspect of it is to lift bottom of pyramid or let make bottom of pyramid rise but it's not about lifting or rising bottom of pyramid but it's about making yourself rise to serve the bottom of pyramid. He appreciated the work done by HCL Technologies and added how about gifting one solar light to every child adopted by HCL. D Light Company offer portable solar lighting products which are on the basis of four key pillars.

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First pillar is design which is human centric. They design for them and with them. They make Empathy trip which means they live in the house of villagers at least once in a year. Second pillar is technology. LED, futuristic, durable, affordable, high efficiency panels, robust electrical and zero maintenance battery. Kids have right to education and they should have right to save light for education. Here comes our project LIFE. We provide light for education on the basis of try and buy light. As pilot testing they distributed free light which increased productivity in the region. Not only this, behavior improvement was also reported.

The last speaker of the session was Ms. Anandita Pahwa, Head CSR Initiates representing Bry Air Asia Pvt. Ltd. was invited to speak. According to her CSR is more inclusive and collaborative now. Not only large corporates but also SMEs are focusing on CSR. Corporates today want to support/help in providing benefits to under privileged. CSR earlier was more of donation, charity but now it is more inclusive as well as collaborative. It can be internal towards employees beyond the statutory obligation under the law and their families as well as external like rural development, medical aid, education, environment, sports etc. Their key focus areas are:

Right to vision - eye care at door step

Right to education - support to under privileged

Environment - disseminate knowledge about environment.

Their Inspiration is Kesari Hind, Rai Bahadur, Padma Shri Dr. Mathra Das

Pahwa who was a renowned eye surgeon known for his philanthropy. Bry Air

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Pathshala started a learning center in June 2011 which caters to under privileged children in partnership with literacy India. They conduct Morning session where non-school going children are introduced to basic education, afternoon session provides remedial classes for students presently studying in Government and privately run schools and vocational classes for tailoring, stitching for women. Bry Air is supporting Working With Nature (WWN) with their project of preservation of Sanjay Van. With partner PHD Rural Development Foundation (PHDRDF) they sponsored construction of ' Check dam' for community lift irrigation system in Mewat district, Haryana and are actively engaged in spreading awareness about environment.

After the thought provoking talk given by the speakers the floor was set open for questions and answers. Total of six questions were taken due to paucity of time. Audiences were showing great interest in raising questions to the speakers.

### **Comments/Q&A**

The first question was an open question for all the speakers. Corporates are the part of community and as a responsible person whatever activities corporates are doing whether that is serving the purpose or not? One of the speaker answered that the CSR should be need based.

Second question was raised to Ms. Simi Suri. A participant asked, " Ma'am, you talked about ' power of one', is this essentially a payroll giving scheme? How do you make collections? Is it on individual basis or necessity basis or cause basis?" She replied that the project is just one and a half year old and

the issues are yet to be analyzed. One of the audience commented that there is no need of NGO's it's the need of people.

Third question was on how you people have been promoting community participation as one of the measures for community development? Mr. Rameshwar Giri answered that THDC has formed a company's sponsored NGO and we are diverting all our funds (that is 2% profit before tax) to this NGO. We are monitoring and evaluating these NGO's. NGO is giving funds to self-help groups on interest free basis for fulfilling social needs like buying seeds for agriculture.

Prof. Dr. K. K. Dwivedi, Vice Chancellor, Apeejay Stya University stated that we have good ideas and we also have resources but there is a disjoint about how to reach millions of people in order to implement these ideas or projects? He suggested that corporate houses may like to consider about utilizing students from the schools, college and university for effective implementation and creating future citizens with better attitude, sensitivity and experience in social service. On this idea, Mr. Sameer asked all the corporates to track with Prof. Dwivedi on how to utilize our youth for the cause. Mr. Joginder Bajaj from PNB told they want to encourage youth. Mr. Anil Jaggi answered under PHD Chamber a consortium can be developed to guide the students in the right way. Mr. Vikrant Mahajan added by saying one of their member organization ' Project Concern International' have recently done a project to bring corporates, academic institutions, Government, NGO's and Panchayati Raz institution's selective representation and someone from the project will connect with Prof. Dwivedi to bring students and everyone together for this project.

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Next question raised was how do corporates select organizations or NGO partners? Whether on the basis of proposals? Many of the NGO's are not getting opportunities because of their lack of exposure?

Soon after the previous question one last question was asked. When corporates check the criteria's or eligibility? Are they checking what NGO's administrative costs are? Many NGO's head are getting lakhs in salaries every month. Their administrative cost is more than 50% of their donations. Ms. Simi Suri answered both the questions saying they are having two or three international level NGO's. Most of the NGO's are small. It's all managed by employees. It's not cascading from the top.

Lastly, Mr. Sameer Modi, The Chair, PHD Chamber of Commerce thanked all the panelists for their time and sharing very useful and informative experiences.

## **Highlights of the Session**

Following major points emerged from the discussion in this session:

A new and innovative thought process was put forward as ' Employee first, customer second' challenging the traditional thought process.

' People, Planet and Profit' are the responsibility of the corporates. Business objectives of profit maximization and CSR objectives of building a better world are not conflicting goals.

Transparency, Ethics and Attitude are the key ingredients for successful CSR environment.

‘ Can we place reliance to Indian value system of CSR over 2% of profit proposed to be made mandatory for CSR or not’ is a debatable issue and country wide debate is on. Need for mandatory profit percentage must be assessed very carefully.

Fixing the minimum responsibility for CSR is tough task but it cannot be decided as percentage of profit but should be based on minimum requirement of water, food, sanitation, shelter, services and education and must enable people live a dignified life.

Platforms like PHD Chamber of Commerce should provide, coordinate and prove to be the forum which bring efforts of Government and non-government bodies like NGO’s, media, educational institutions together for collective efforts.

Another very fruitful outcome was ‘ Need driven CSR’ activity. Wherever and whenever need is realized help should be provided.

Government responsibility is to ensure right to life of the people and corporates have the responsibility to ensure that the Government delivers its responsibilities and must help Government in delivering that.

We talk a lot about different ways of fulfilling CSR requirements but forget to realize that the first social responsibility of a corporate is to do responsible and ethical business.

Two very contradictory statements were made during the session by two speakers. One said that CSR is the responsibilities corporations had towards societies within which they are based and operate. The other said corporates <https://assignbuster.com/national-seminar-on-corporate-social-responsibility-management-essay/>

should take care of not only the communities from which they interact but also of adjoining communities.

Corporate involvement in disaster management should be more particularly for supply chain and information channel. These may become sensitive cases at the time disaster strikes or spreads.

Innovative line of thought must be introduced by changing the thought perspective. Corporates should be focused towards creating fortunate bottom of pyramid rather than finding fortunate bottom of pyramid. Similarly, in place of lifting/rising bottom of pyramid we should think about making ourselves rise to serve the bottom of pyramid.

Earlier CSR was looked upon as philanthropic activity but now CSR has become more inclusive and collaborative.

In summary, the entire outlook for CSR has changed. It has become the means and measures for satisfaction of both for corporates as well as the community. CSR nowadays has a brand value, creates value for corporates and provides value to society. And finally, I would like to conclude by stating my abiding belief that 'value is valued only when value is valued'.

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