
Corporate Social Responsibility
&
Community Resources

Dr. Siddhartha Jain¹ & Ajit Singh²

Business is not divorced from the rest of society. The two are interdependent and it must be ensured, through mutual understanding and responsible behaviour, that business' role in building a better future is recognized and encouraged by society. "Corporate Social Responsibility is the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large."

It urgent need of the situation to initiate a process so that the multinational companies coming to the nation to consume our precious resources are made to join the crusade of social development as a token for reinstating the cost of resource used by them or paying back the factors of their growth basically contributing through the nation's economic development, social innovation, Capacity building and sustainability of resources.

Economic development: The developing and emerging markets will be the main source of growth for many multinational companies in the years to come. Those that make a positive contribution to economic development, child & women development, community health care initiative and poverty reduction in the country should be better placed to grow than those that do not.

Multinational companies can, and do, play a significant role in the development agenda. They stimulate economic growth through international trade and facilitate social progress through the development of human capital, through training and skills transfer; Also by the:

- Support for government capacity building;
- Community empowerment initiatives; and
- Environmental standard setting.

Social innovation & Capacity building: The concerns about social

¹ Reader, IBM, Mangalayatan University, Aligarh

² Research Scholar, DAV (PG) College, Bulandshahr (UP)

justice, poverty and climate change are expectations that companies should do more to tackle such issues through social issues, awareness campaigns & social changes by supporting the government's initiatives for community development.

Capacity building is the jargon that economists use to describe the creation of the skills, physical infrastructure, public health and administrative frameworks that are so necessary for the country to prosper. Capacity can be built at both the macro level of the state and at the micro level of individual and communities.

Sustainability of resources: As globalization accelerates, and as the limits of the planet's resources are reached, large companies and brands will increasingly be held to account on the sustainability of their business practices. The companies should be made to reduce their environmental impacts and increase the sustainability of the resources rather than wait until either legislation or public outcry forces them to do so.

Government of India is all set to make CSR a statutory requirement for all companies by extension of above Companies bill that would mandate companies with a turnover of Rs 1,000 crores or net profit of Rs 5 crores or more should allocate two per cent of their net profit towards CSR activities.

Corporate Social Responsibility has gained significant importance across the corporate world over the past few years. Some proactive and visionary companies have integrated their CSR initiatives into their functional structure. But these are very few. CSR initiatives need to spread far and wide as only then the businesses can become sustainable. This approach and culture has to reach each and every companies, particular those who consume natural resources, to put plough back some of their earning to uplift social structure and maintain ecological balance.

Inclusive growth, i.e. ensuring that India's economic development lifts all boats, is a critical national priority. One key focus of this has centred on the role of Indian corporations in enabling inclusive growth. India's strong economic growth, as well as severe social challenges and a national desire for change, put the country in a unique position to demonstrate how through shared value, companies can meaningfully contribute to building an inclusive society where the future is bright not just for some, but for all citizens.

What differentiates the above examples from traditional CSR is that the core assets of the business are being leveraged to create large-scale, sustainable social change. India's strong economic growth, as well as severe social challenges and a national desire for change, put the country in a unique position to demonstrate how through shared value, companies can meaningfully contribute to building an inclusive society where the future is bright not just for some, but for all citizens.

CONCLUSIONS

Globalization of Indian economy has led to a paradigm shift in the way corporate social responsibilities were performed in India. It has drifted away from the domain of state owned public sector giants to players of private sector. The way companies used to look at CSR activities has also changed from a philanthropic activity to more professional activity. CSR activity has become more of a responsibility and compulsion to Indian corporate from all perspectives of their existence. CSR activity has moved up the ladder from ethical beliefs of the founding fathers to a part and parcel of corporate strategy for existence of each player.

Hence it can be concluded that the CSR activities in India will keep moving towards more holistic upliftment of Indian society. The business of the 21st century India will have no choice but to implement CSR. Like any successful management strategy, a CSR process needs both high level management vision and support, and buy-in at all levels of the company. CSR does not give immediate results. CSR activities undertaken by various corporate might in a way directed towards their own benefits like adding to brand value, increase in the employable population, get into more sustainable environment, or just to meet up to the government and societal laws it still will be contributing to Indian society as a whole. Appropriate authorities and organization needs to take necessary steps to make these CSR activities contribute to all round development of Indian society.

As was once famously said:

"A company that makes only money is a poor company."

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