Indian Institute Of **Technology** Delhi **Presents** Under the auspices of **National Program on Technology Enhanced Learning NPTEL** (An MHRD initiative) **TECHNOVISION Educational Technology Services Centre** IIT DELHI **PRESENTS** A Video Course On **Management Science** BY Prof. Anuradha Sharma Department of Humanities and Social Sciences, IIT DELHI Lecture # 30 **Corporate social** Responsibilities

So we have discussed, value and ethics in organization, and in continuation to that we are discussing another aspect of corporate ethics which is known as corporate social responsibility. (Refer Slide Time:01:39)



Every corporation has to survive and it has to survive and sustain itself with the ethical values it may practice. So we are going to talk about this concept in this lecture and we begin with this sustainable performance of a company.

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Sustainable Performance of a Company: The issue CSR

Sustainability is about building a society in which a proper balance is created between economic, social and ecological aims. For businesses, this involves sustaining and expanding economic growth, shareholder value, prestige, corporate reputation, customer relationships, and the quality of products and services.

And which is the issue of CSR, so sustainability is about building a society in with a proper balance is created between economic social and ecological aims. For businesses this involves sustaining and expanding economic growth, shareholder value, prestige, corporate reputation, customer relationships, and the quality of product and services.

So now we are going to discuss that within an organization what happens, but the ethics also have to look into the whole environment within which the organization is actually operating.

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It also means adopting and pursuing ethical business practices, creating sustainable jobs, building value for all the company's stakeholders and attending to the need of the underserved.

It also means that adopting and pursuing ethical business practice creating sustainable jobs building value for all the companies' stake holders and attending the need of the un deserved. We are looking at all these factors.

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A company that embarks on the path of sustainability needs to carefully examine its mission, vision and values. It must be informed about legal constraints and assess all its management structures.

A company that embarks on the path of sustainability needs to carefully examine the mission, vision and values. Which we have discussed in our last lecture, and as we have discussed that most of the companies these days have a mission statement and values, and they have vision about their company. So it must be informed about the legal constraints and the asses all the management structures.

We are talking about the corporate social responsibility, which is looking at the odd corporation within the organization where it operates, with and the ethical values the organization practices.

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The principles of sustainability help businesses to reduce unnecessary risks, avoid waste generation, increase material and energy efficiency, innovate new, environmentally friendly products and services and obtain operating permits from local communities.

So the principles of sustainability helps businesses to reduce unnecessary risks, avoid waste generation, increase material and energy efficiency, innovate new environmentally friendly products and services and obtain operating permits from local communities.

So we are trying to understand the organization within a total, larger source assistant and even the communities are involved overall operation of the organization, And the organization is ethical responsibilities.

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Academics and practitioners have been striving to establish an agrees-upon definition of this concept for 30 years. In 1960, Keith Davis suggested that social responsibility refers to businesses' "decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest."

Academics and practitioners have been striving to establish an agreement upon the definition of the concept of CSIR . Since more than 30 years ago, in 1960, keith davis suggested that social responsibilities refers to businesses' "decisions and actions taken for reasons at least partially beyond the firm's direct economic and technical interest."

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Eells and Walton (1961) argued that CSR refers to the ethical principles that ought to govern the relationship between the corporation and society.

Then ells and Walton, they are the that CSR refers to the ethical principles that are ought to govern the relationship of the corporation and the society. So do you see that we are talking about organizations, how they relate to communities and societies around the overall environment around them. (Refer Slide Time: 06:38)

The outer circle outline newly emerging and still amorphous responsibilities that business should assume to become more actively involved in improving the social environment.

So outer circle that we trying t talk about, outline newly emerging and still amorphous responsibilities that business should actually assume to become more actively involved in improving the social environment. When we say outer circle, I am imagining you have an organization and then you have an outer circle, and that the environment I am talking about.

And the corporate social responsibility has got to do something there; within of course the parameters of organizational functioning you have to talk about that.

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In 1971 the Committee for Economic Development used a "three concentric circles" approach to depicting CSR. The inner circle included basic economic functions growth, products, jobs. The intermediate circle suggested that the economic functions must be exercised with a sensitive awareness of changing social values and priorities.

In 1971 the committee for economic development used a "three concentric circles" approach in fact the circles that I am trying to discuss a very simplistic fashion, so they try to talk about that, and this approach is depicting CSR. The inner circle included basic economic functions growth products and jobs. And the intermediate circle suggests that the economic functions must exercise within an organization with sensitivity, and awareness of changing social values and the priorities. (Refer Slide Time: 08:15)

CSR is also defined as "Making Good Business Sense" "Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of the life of the workforce and their families as well as of the local community and society at large".

So CSR is defined, there are number of you know, prospective and number of definitions given from various protective's by various practitioners and accadamissions. So we are just looking at that in order to understand what exactly CSR actually all about.

So CSR is also defined as making good business sense. "Corporate social responsibility is the continuing commitment of business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large". So you can see here we are involving also not only the workforce also we are extending their responsibility to the families as well as community and societies. Another definition we I have couple of definitions for you, because I thought once I am giving you a lecture on this, I am teaching so you should understand you know that various authors have delt with the concept of a corporate social responsibility, so I have many definitions.

If you actually combine all these and find the gist of corporate responsibility, that is why I a givng you number of definitions.

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Another definition is CSR is about capacity building for sustainable livelihoods. It respects cultural differences and finds business opportunities in building the skills of employees, the community and the government" "CSR is about business giving back to society".

Another definition of CSR is about Capacity building for sustainable livelihoods of people. In organization and also perhaps in a even beyond the organization that we are talking about. And so it respects the cultural differences and finds business opportunities in building the skills of employees, the community and the government. CSIR does is about business giving back to society.

See where we are doing business are not hanging in isolation. So we are working within a society we take in out from the society and then we have to give some a return to the society. So we give back corporate social responsibilities about that. In every definition we are discussing you will find.

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Corporate Social Responsibility (CSR) is the alignment of business operations with social values.

New and fresh is height is emerging. So corporate social responsibility is also defined us the alignment of business operations with social values.

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It takes into consideration the interests of the stakeholders of business policies, policy making and the action.

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The focus on CSR is on social, environmental, and financial success of a company and aim to achieve social development while achieving business success.

So the focus of CSR is on social environmental and financial success of a company and the aims to achieve this social development within achieving your business success. So are you getting this point. That when we are doing, when we are practicing corporate social responsibility we are not doing that at first of our business. Our business successes there but we are trying to extend that also to the social system, so that much later perhaps your returns are available to us in the tangible as well as in the non tangibles.

Sense and the organization to be sustainable. Can you see the link now between sustainability, corporate socialist responsibility and also trying to look into the long term business? That we are trying to achieve. So here we have presented a model or corporate society responsibility.

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What it means? And in fact you know this summarizes the discussion for what we have discussed an you can see that corporate social responsibility. Was this moves to the values and the other systems, finally it look at the organizational effectiveness. Which we are looking for the long term sustainability and the effectiveness of a system. We have defined this earlier, recollect that in one of the earlier lectures we were trying to define both corporate social responsibly as well as organizational effectiveness.

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CSR is about how companies manage the business processes to produce an overall positive impact on society. According to Mallen Baker, CSR can be explained by the following illustration. (Mallen Baker, April2001)

So corporate social responsibility is about how companies manage the business processes to produce an overall positive impact on society, so according to mallen baker, CSR can be explained by the following illustration. The illustration perhaps you know will appear later I have not put it here, because number of definitions I would like to put her.

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According to Wikipedia encyclopedia, corporate social responsibility (CSR) is an expression used to describe what some see as a company's obligation to be sensitive to the needs of all of its stakeholders in its business operations.

So according to Wikipedia encyclopedia, corporate social responsibility is an expression used to describe what some suggest as companies obligation to be sensitive to the needs of this stakeholders of the business operations. This is one of the encyclopedias as been suggested.

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These include (but are not limited to): employees, customers, suppliers, community organizations subsidiaries and affiliates, joint venture partners, local neighborhoods, investors, and shareholders (or a sole owner).

These include but not limited to employees, customers, suppliers, community organizations subsidiaries and affiliates, joint venture, partners, local neighborhoods, investors and shareholders or a sole owner whatever be the case in this situation. So all these are the participants on a system and the corporate social responsibility includes all these participants of the total system.

Often you must be thinking that in a system only the manager and the employees or the workforce. Will they are the main people, the role players, but no organization can survive unless all this participants have been looked into.

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The principle is closely linked with the imperative of ensuring that these operations are "sustainable" i.e. that it is recognized that it is necessary to take account not only of the financial/economic dimension in decision in decision making also the social and environmental consequences "Sustainable Development".

And so the issue because much more important perhaps you know there ever before and what we perhaps never understood and that's why never cares for , so now we have to now look into the larger prospective of an organization . so this principle is closely linked with the imperative of ensuring that these operations are sustainable as I said just now and that it is recognized its necessary to take a count not only of the fination or you can need dimension in decision making, but also this social environmental consequences , for sustainable development. in fact we begin our discussion with this, and I have already explained to

you about the tangible and in tangible benefits that an organization perhaps give to society and for themselves. So this is what we are trying to discuss here.

Therefore you can see here,

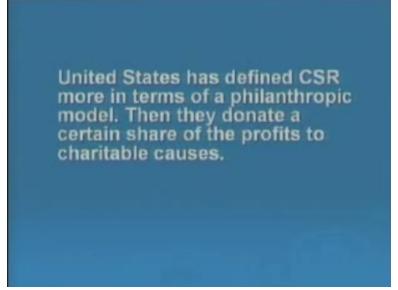
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That the corporate social responsibility, this leads to the quality of life at social development. Here we are trying to put that the model where we are trying to see that corporate social responsibility will lead to quality of life to all the participants will we have listed earlier. And so it is going to lead to social development. Social development, development of society, community and well country and nation at law.

That is why corporate social responsibility, we here are no choice perhaps you know not to pay attention to corporate social responsibility.

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United States, some professors, some agencies have defined corporate social responsibility more in terms of philanthropic model. Then they donate a certain share of profit to for the charitable causes.se while we

are practicing corporate social responsibilities one way doing it is also to give donations, and give sort of a any kind of a share for social development.

So in untied states this is has been corporate social responsibility has been more or less practiced to know in this way, for in every corporation perhaps will give so donation also in India, if you see many of the corporations you will find that the organizations sometimes runs schools, sometim4es they are giving to NGOs, and sometimes you know they are them self running an NGO. So also in India we find this kind of a model very popular, in terms of practice of corporate social responsibility.

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The European model is much more focused on operating the core business in a communities for solid business case reasons.

Because

The European model is much more focused on operating the core business in a community for solid business case reasons. Because of some of these reasons.

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 Social responsibility becomes an integral part of the wealth creation process- which if managed property should enhance the competitiveness of business and maximize the value of wealth creation to society.

So social a responsibility becomes an integral part of the wealth creation process, much of it is managed properties should enhance the competitiveness of the business and maximize the values of wealth creation to society.

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 When times get hard, there is the incentive to practice CSR more and better – if it is a philanthropic exercise.

This also aims to get hard, the incentive to practices of

Corporate social responsibility more and better, it is a philanthropic exercise. Some f the corporate social responsibility areas,

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Some of the CSR areas:

Human rights, business ethics, environmental policies, corporate contributions, community development, corporate governance, and workplace issues.

Human rights, business ethics, environmental policies, corporate contributions, community development, corporate governance and workplace issues. Can you see that how corporate social responsibility, the scope of the activities very many.

Because each one these are important components and important you know perhaps duty as a manger. Not that this is the exhaustive list you could extend that with you experience and perhaps enthusiasm. (Refer Slide Time: 22:37)

Social and environmental performances are considered side by side with financial performance. From local economic development concerns international human rights policies, companies are being held accountable for actions and their impact.

Social and environmental performances are quardinated and considered side by side with financial performance from social and social economic development concerned for international human rights policies, companies are being held accountable for their actions and impact. We are talking about corporate social; responsibilities and you can see the impact that has made in on the companies. (Refer Slide Time: 23:22)

Companies are also more transparent in disclosing and communicating their policies and practices as these impact employees, communities, and the environment.

Companies are also more transparent in disclosing the communicative and communicating their policies and practices so as to impact on employees, communities, and the environment could be seen clearly. (Refer Slide Time: 23:39)

In the new global economy, companies that are responsive to the demands of all of their stakeholders and better positioned to achieve long – term financial success.

In the new global economy, we are all in gearing up to develop our corporations as global corporations. And the all we are all actually hearing up to survive in the competitive market of globalization of the global economy. So in the global economy companies those are responsive to the demands of their stakeholders and better positioned to achieve long term financial success.

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Benefits of CSR TOO.
SOME OF THESE are presented below:

Those companies perhaps will benefit from CSR too. So some of these are presenting to, (Refer Slide Time: 24:31)



Explain to you enhanced brand image and reputation. See every company has to have enhanced brand image and reputation.

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Improved financial performance. So some of the benefits that you may get if you are practicing the issues in let it to CSR.S

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Increased sales and customer loyalty

Increased sales and customer loyalty. (Refer Slide Time: 25:09)

> Reduced costs

Reduced cost. (Refer Slide Tie: 25:14)



Customer satisfaction. (Refer Slide Time: 25:20)

Increased ability to attract and retain employees

Increased ability to attract and retain employees. Employees would like to join that company where define that company is very ethical, and actually to say corporate social responsibility and so, maybe paying reasonable. Yet the images the people may like to come and join. And will continue, so possibility of attraction rate may also be perhaps you will manage. (Refer Slide Time: 26:02)



Increased market share, when you have the market share in the for example, the shares the price of the share of a company that also increase that the result of the company is practicing CSR.

Perhaps you have never thought about it, but if you are doing that and if you are a company then the shares of your company is likely to increase.

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Then reduced regulatory over sides, say we have to also send some returns since we should have some regulation, perhaps you know the duties you know to actually fulfill certain regulations.

And if we have a very well managed corporate social responsibility, motivation then the possibility of over side is not there. We are doing what we are expected to do and we will in a better position to achieve a success. Then also,

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Brand visibility, and recognition and awareness, this also is possible if you practicing CSR. Then obviously you are practicing this

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Strategy we can say you can could be very well sort of a position in the competitive market. (Refer Slide Time: 27:48)



And then environmental sustainability because if we are doing a business, we also are to see that we are not creating bad environment. At the same time we are also trying to sustain the environment around. So that possibility also is much higher,

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Then the forging of partnerships, we can have partnerships if the other comp-any knows that okay we were very ethical practicing the social responsibilities. Then the possibility is immense. (Refer Slide Time: 28:31)

The benefits of CSR to businesses vary depending on the nature of the enterprise, and are typically very difficult to quantify. It should be noted that the definition of CSR used within business can vary from the strict 'stakeholder impacts' definition and will often include charitable efforts and volunteering.

So the benefits of social responsibilities to businesses may vary depending on the nature of the enterprise and are very difficult to quantify. When I say intangible I mean that, I t should be noted that definition of CSR used within the business can vary from very strict in a stakeholder impact. Definition are too many others and will often include the charitable efforts and volunteering.

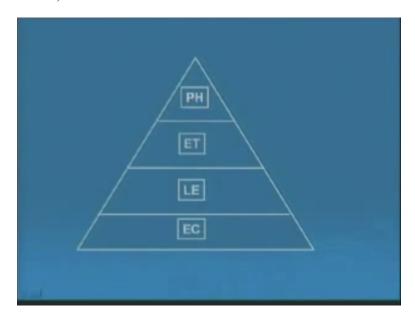
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THE PYARAMID OF CORPORATE SOCIAL RESPONSIBILITY

For CSR to be accepted by a conscientious business person, it should be framed in such a way that the range of business responsibilities are embraced. That four kinds of social responsibilities constitute total CSR: economic, legal, ethical, and philanthropic.

And we may also have the other side of a it we can talk about certain social issues. This brings us to understand that what are the variables of corporate social responsibility as a concept. Here I will like to discuss the pyramid of corporate social responsibility, given by some other or some literature. Which we have discussed and then we have developed or something very close to that. So far the pyramid of corporate social responsibility to be accepted by the scientist are in this field and the business person, it should be framed in such a way that the range of business responsibilities are embraced. So four kinds of social responsibilities one could see which constitute the CSR. These are the economic factors, legal factors, ethical factors, and philanthropic factors right, so these factors are wanting to explain to you now these are the four factors have tried to put here

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In this particular model okay, you can see the physically economic then okay, then the legal and environmental by all these factors we have tried to put here okay,

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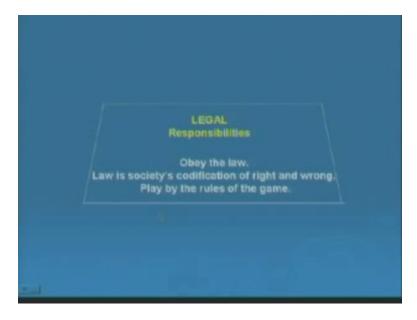
and these factors the philanthropic factors

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are put here as these in this caption have tried to show you that these are some of the philanthropic factors ,the ethical factors here and trying to show you that these are the ethical factors

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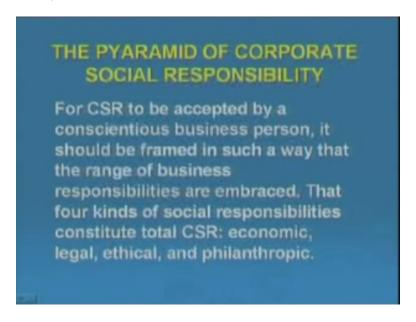
Then legal factors , you can see this ,these are the legal factors is it and then you can see the economic factors

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So these sets of factors become important should I go back to this factors, let me go back to this factors here what we are saying that the corporate social responsibility is a group this is a composite or a composes of a group of factors okay,

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Which are economic legal ethical and philanthropic is it clear okay, and then we find that these are the physical economic legal and philanthropic factors okay, and here

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The philanthropic factors responsibility these are okay, the contribution resources towards the community and impact to know on the quality of life then,

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We move on to the ethical factors am repeating this the economic factors (Refer Slide Time:33:17)



Then

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You have the philanthropic factors so we can say that these when we add these factors this is released into corporate social responsibility if you want to conduct a study perhaps you can you know get the information on all these four sets of variables and combine this will reject into CSR

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The Environment issues for CSR are likely rest on one or more of these arguments these are:

- Human resources
- Risk management
- Brand differentiation
- License to operate
- Diverting attention

So the environmental issues for CSR are likely to rest on one or more of these arguments which are: about human resources about this management about the brand differentiation about license to operate it about diverting attention okay, so when we are looking at some of the issues of corporate social responsibility some of the arguments related to these issues

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Corporate Social Responsibility can be an important aid to recruitment and retention, particularly within the competitive graduate market in the environment.

So corporate social responsibility can be important aid to recruitment and retention of people particularly within the competitive market that we have within the environment that we have okay, short file we ago we were talking about the lowering the retention rate detailing the people and then the quality of files keeping people happily in your organization

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So there are many views regarding CSR. we have talked about number of definitions but then there are also number of views regarding CSR which we will look in to some of these views (Refer Slide Time:0:35)

Some commentators are cynical about corporations' commitment to CSR and Sustainable Development and say that the idea of an "Ethical company" is not practical and sustainable.

Some commentators are cynical about the corporations" commitment to CSR see if you look at very traditional manager you will find that he or she might believe that an industry is only suppose to generate profit and only you have to give little bit for this survival and growth of say the employees are within the organization and nothing to the community society yet large at traditional manager perhaps believes this way am I right or wrong? Perhaps if you interview some of the traditional managers will find this assumption which is like this but today as the body of knowledge goes and ask the globalization is there as well as the whole subject of

management studies become a very professionalized and matured we find that CSR has become important factors success of an organization and society so even though some of the person they might make these observations and they might have say

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Some commentators are cynical about corporations' commitment to CSR and Sustainable Development and say that the idea of an "Ethical company" is not practical and sustainable.

That they commitment to CSR and sustainable development these are ,actually these are ideas of an "Ethical company" and is not a practical and sustainable practice they might say that but if you look very deeply you will find that one has to really change oneself and one has to really change ones perception regarding this however there are number of arguments

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Argument-I

Business are owned by their shareholders- any money they spend on so-called social responsibility is effectively theft from those shareholders who can, after all, decide for themselves if they want to give to charity.

And let us see some these arguments because when we are discussing in any concept we have to look at both positive and negative and neutral aspect of the issues only then we can finally understand and arrive at our decision so the first argument about this, is the business are owned by their shareholders and any money they spend on so-called social responsibility is effectively this is generated from those shareholders and so they have to decide for themselves if they want to give to any charity so they have to, this is one argument has to why should we have corporate social responsibility or how much of the corporate social responsibility and

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This as the reference (Mallen Baker April 2001) says that there are number of arguments against this corporate social responsibilities

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Argument-II
The leading companies who report on their social responsibility are basket cases-the most effective business leaders don't waste time with this stuff.

And this arguments actually they have taken from his writings and second argument is leading companies who report on their social responsibility are the basket cases and the most effective business leaders do not waste time with this stuff. In fact before began with these arguments I gave you an idea that are perhaps manager, a very traditional manager are will look at in to this something you know which is not needed for the business of management and so that is the second management which is given here

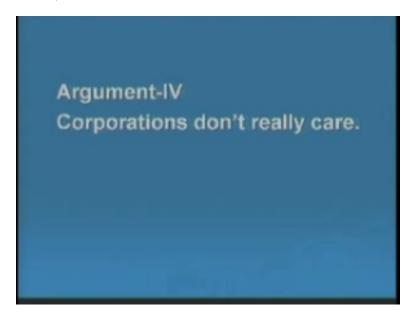
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Argument-III
Our company is too busy surviving hard times to do this.
We can't afford to take our eye off the ball- we have to focus on core business.

Another argument is that our company is too busy surviving hard times to do this. We cannot afford to take you know our eyes in off the ball and focus on these things because we have to focus on core business that we have right, that what I trying to talk about the traditional

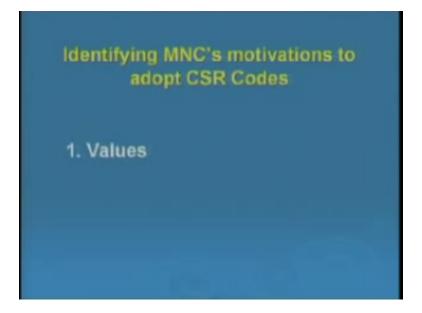
manager ,we have to focus on core business this know deriving about it, but a business that survive in the long term below so need your eyes and ears open in terms of the practice of corporate social responsibility that is the point , so there are number of argument which grow sort of I want to say but there are arguments looking in to the other side of this stories then

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The corporations do not really care in for a people

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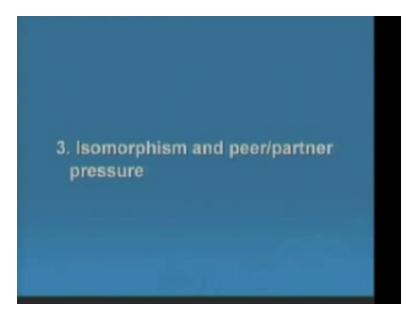


Okay, is it alright, corporations do not care, but they are suppose to care but they are suppose to be ethical right, so in spite of all these arguments that we are seeing which are giving us some

idea that how would are traditional manager belief about his or her rule as a practicing manager and is her perception corporate social responsibility may not be unimportant aspect of managing business.

Okay, but let us see this still have you know hopes because we can find or we can identify that there are situations in which we have found that corporate social responsibility pays a lot in many sense we have already discuss that earlier and I will discuss once again, I will repeat that once again so now we will see the identifying MNC's motivations to adopt CSR codes let us see, let us looking in to that why? Because of values

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Because of Isomorphism and peer/ partner pressure

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Assess the opportunities and challenges for policies

Assess the opportunities and challenges for policies

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The concept of sustainable development has defined the policy options of environmentalists and industrialists, as well as those of governments, vis-à-vis the exploitation of natural resources and political economy of production and consumption of goods

Some of these factors so we come to the concept of sustainable development once again we had started discussing the issue because that is the issue that is the one important factors the concept of sustainable development has defined the policy options for environmentalist industrialist, as well as those governments vis-à-vis the exploitation of natural resources and practical economy of production and consumption of goods okay, so this is also to promote long term environmental strategies for achieving sustainable Development

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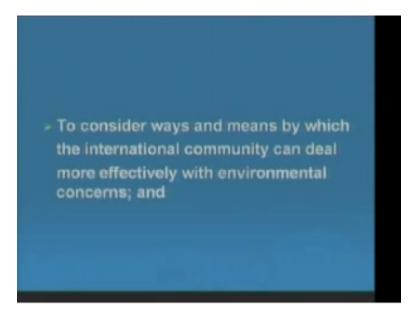


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 To recommend ways concern for the environment may be translated into greater cooperation among developing countries and between countries at different stages of economic social development and lead to the achievement of common and mutually supportive objectives that taken account of the interrelationships between people, resources, environment and development;

To recommend ways concern for the environment may be translated into greater cooperation among the developing countries and between the countries of different stages and economic social development and lead to the achievement of common and mutually supportive objectives which are taken on account of the interrelationships between people, resources, environment and development okay, so to consider ways and means by which the international community can deal

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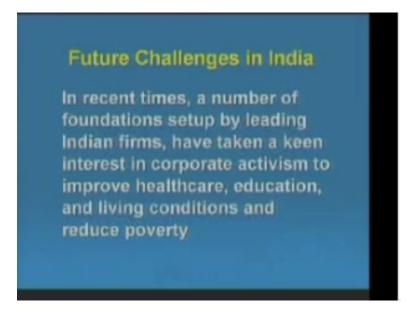


Effectively with environmental problems are important

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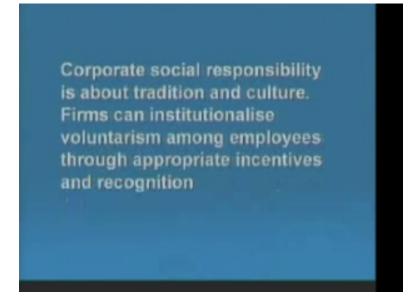
To help defined shared perceptions of long-term environmental issues and the appropriate efforts needed to deal successfully with the problems of protecting and enhancing the environment, a long-term agenda for action during the coming decades, and aspirational goals for the world community

To help defined the shared perceptions of long –term environmental issues and the appropriate efforts needed to the successfully with the problems of protecting and enhancing the environment, a long-term agenda for action during the coming decades, and the inspirational goals for the world community perhaps it is needed is it, so when you have a company and when your managing your company somewhere in your agenda you have to talk about CSR as important component because there are certain grows which are short term say year wise or a quarter wise results in terms of your performance but also you need to have the long term CSR goals so future challenges



Is in India if you see some of these un time to present to you in the recent times a number of foundations have been setup by leading Indian firms, and which have taken a keen interest in corporate activities to in fact we can say, of corporate activism to improve the healthcare, education and living conditions and reduce poverty

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So corporate social responsibility is about tradition and culture firms can institutionalize voluntarism among employees through appropriate incentives and recognition so there are many public sector companies in India they adopt you some time religious they who proves schools they also open well giving charity to enthused that we have already discuss also our countries,

but they run schools they also run in a some of health camps blood donations so these are there are no in India most of the companies that we have today ,most of the large and successful companies.

We are talking about I recollect I have seen you know, once where passing by the state government bus and looking here and there I found, some where it was it, school there was a school building and it set by BHEL school so I have try to find out from the people that BHEL is not here so how can we know this building says BHL school so they sad okay, this is a village school and which is a run by BHL, so they are doing that so you know in a village when I saw that that particular building so I was just remaining the CSR projects that companies take, so that I really became very positive and that point of time so the corporate social responsibility is about tradition and culture okay, we have already discuss this,

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So corporate social responsibility can be much more than charity an innovative way to contribute socially and also to spend some times within in towns and villages and to buy products from millions of artisans who are at the bottom of the economic pyramid corporations need to design productions, services for the enormous population at the bottom of the pyramid.

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Large corporations can exploit hundreds of historical places in rural towns and villages for corporate training, conferences, and gateways. Of course, innovative ways are needed to create decent hotels, restaurants, and basic amenities outside major cities.

So large corporations can exploit hundreds of historical places in rural towns and villages for corporate training, conferences and gateways, of course innovative ways are needed to create decent places like hotels, restaurants, and many amenities outside major cities. These are the some of possibilities when the corporations are trying to help the communities

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Inculcating corporate social responsibility is also about training young minds and helping future generations organize themselves for good. Social responsibility needs to be deeply ingrained from childhood.

So inculcating corporate social responsibility is also about training young minds and helping future generations organize themselves for good social responsibility needs to be deeply ingrained attitude in children from their childhood okay, this possibilities are there

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Inculcating corporate social responsibility is also about training young minds and helping future generations organize themselves for good. Social responsibility needs to be deeply ingrained from childhood.

So social responsibility is about leadership about respect for fellow

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Social responsibility is about leadership, respect for fellow human beings, and checks and balances. It is not uncommon to find high school students volunteering in community work; in fact, students often accumulate points for school grades

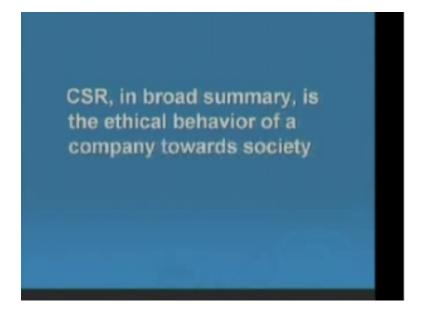
human beings and checks and balances it is not uncommon to find high school students volunteering for in any kind of community work, in fact, you know students sometimes accumulate or points for from their school grades and then you use that for the social value any kind of social responsibility

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Every country embrace the remarkable concept of individuals and business forming a partnership to support social causes. In the context of India, such a partnership has enormous potential for strengthening society

Every country embrace the remarkable concept of individuals and business forming a partnership to support social causes in the context of India such partnership has become enormous and in fact that has potential also for strengthening our society so CSR in brought summary is the ethical

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Behavior of a company towards our society we can if we want to come to a one line say definition we can put it this way or understanding

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Impacts can manifest
themselves as accusations of
social and environmental
injustice. Such claims, can
severely damage corporate
reputation and often leading a
number of unwanted
outcomes, such as:

So impact can manifest themselves as the accusations of social and environmental and injustice factors such claims can severally damage corporate reputation and leading a number of unwanted outcomes such as

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It can include shareholders (or a sole owner), investors , employees, customers, suppliers, joint venture partners, subsidiaries and affiliates, community organizations, local neighborhoods etc

Which could b, it can be include shareholders, investors when they says shareholders we also mean the owners, employees, customers, suppliers, joint venture partners subsidiaries and affiliates communities and organizations and local neighborhoods are in the whole process this I have say already discussed earlier and this is closely linked with the peaceful of sustainable development which is supposes of developing land, cities, business, communities etc that needs

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CSR is closely linked with the principles of "Sustainable Development" which is a process of developing (land, cities, business, communities, etc) that "meets the needs of the present without compromising the ability of future generations to meet their own needs

Of the present times without compromising the ability of future generations to meet their own needs

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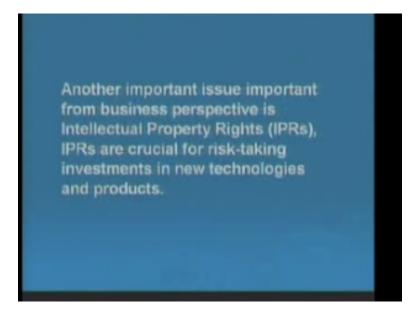
Issues In CSR Looking at environment

Today CSR priority issues are human rights, employee rights, environmental protection, supplier relations and community involvement. Two related issues, which cut across the others, are the rights of stakeholders (interested parties) and the monitoring and assessing of CSR performance

The issues of CSR this we look at the number of issues in to the discussion of taking up the whole issues of environment because environment is something very current we can say the need and many companies sometimes they are make negative impact on environment and some time environment itself needs the care of the companies so whatever the case we need to care for environment for ourselves as well as for our future generations therefore I have decided just to take one example but there are many.

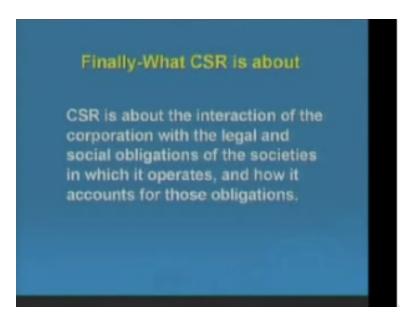
Other examples which about the human development and HRD others which very briefly are just above but here are looking at whole environment as the one of the media issues so today CSR priority focuses on human rights, employees rights and environmental protection, supplier relations and community involvement and two related issues which are in very important are about the rights of stakeholders monitoring accessing of CSR performance

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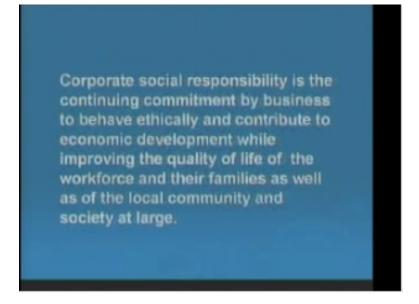
Another important issue about business perspective is about the intellectual property rights okay, IPR which is very crucial issue for any kind of a risk-taking investments in new technologies and products So once we are talking about an environment, we are talking about the waste management, we are talking about any kind of a depletion of an environment because of our efforts sometimes we create a lot of profits but then the byproducts go either inside the soil or perhaps you know they will make the air not worth breathing or they pollute water or whatever okay, so one hand doing very good business making a lot of profit on the other hand and finding that I am not responsible for what are the negative consequence of my technology and how the society getting effected and that is why the environment becomes one of the major issues when we looking that the corporate social responsibility

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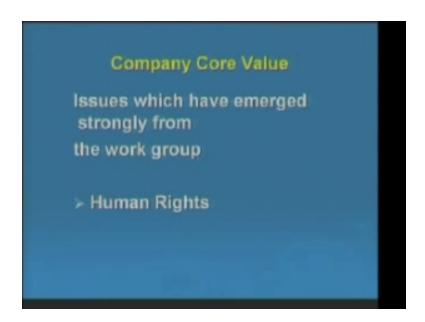
And so what is corporate social responsibility well we have seen many definitions and we are also look at you know many benefits and many other aspects we can once again you know as recap on am trying to talk to you one or two things again CSR is about in the interaction of the corporation with the legal and social obligations of the societies in which it operates, and how it accounts for these obligations.

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Corporate social responsibility is the continuing commitment by business ethically and to contribute economic, the economic development while improving the quality of life and the family as well as the local community and

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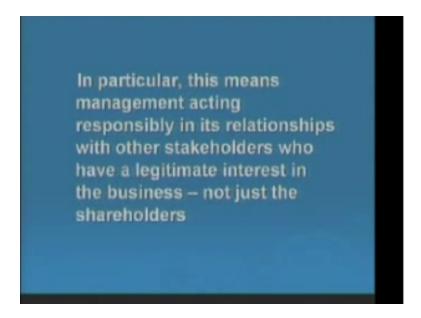
Society at large So the company's core value issues are important which have emerged strongly from the work group or the human rights about so this CSR is about the ethical behavior of the company towards the society

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About the employee rights

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In particular, it means management acting responsibility with its and relationships with stakeholders who have legitimate interest in the business –not just in the shareholders

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And CSR delivering business benefits there are

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Many business benefits which I have said in certain terms in earlier also but let me just before I close and let me give you certain business benefits that because you may be thinking that is only the, we are talking about responsibility but why ,why/? This responsibility because is a good business as well financial versus social performance we find

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Okay, when supplier relations are good

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Developing strategy emerging principles

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Building capacity

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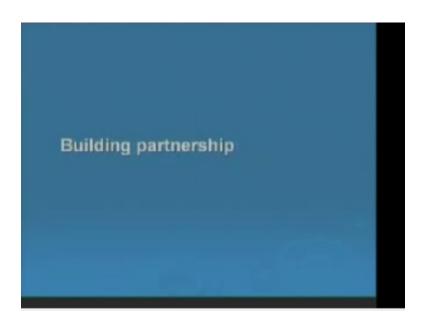


For cooperating on technology

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Taking the long-term view developing strategy and emerging principles I think am repeating (Refer Slide Time: 59:01)



Building partnership

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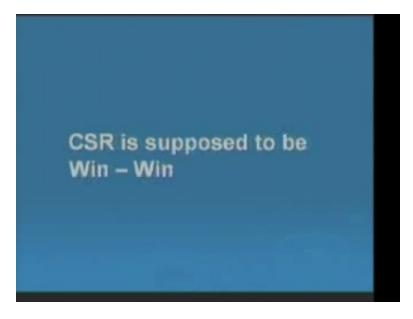
Showing transparency

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Then integrating the approach

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And so CSR is supposed to be the win-win situations and with this win win situations we are closing our discussion on CSR and now you can relate this discussion, in today's discussion to the issue of values and ethics that we have discussed earlier in this course and so we are trying to look at the win-win situations can you saying the cooperate social responsibility for a good business so we closed our discussion today here and will move on to our next discussion in the next lecture.

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