



Social Development : Through Corporate Social Responsibility

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ABSTRACT

This paper explains the role of CSR (Corporate Social Responsibility), social development through CSR, their issues and challenges in India. Basically CSR has a voluntary role and contribution of business community towards a better social and environmental development, apart from investment to organizational growth and development. In some cases, Corporate Social responsibility is referring to companies which are interacting with social and environmental concerns into their business operations. In this paper basically, CSR concentrate on a social activities that typically address the social aspects of a firm's behaviour (including the policies and practises) with respect to such keys elements as : health and safety, human rights and environment safety, human resource management practises, consumer protection, labour protection, supplier relations, business ethics and shareholders rights, corporate governance, community development etc.

KEYWORDS : Corporate social responsibility, corporate governance, environmental

INTRODUCTION

In the current globalize business world, there exist large multinational as well as small local business organizations. Irrespective of the nature of business organization, they should be ethically bound to their shareholders, stake holders like customers, investor, governments, supplier and competitors in order to ensure goodwill which in turn assures maximum business growth. The organizations follow different strategies to ensure their ethics in order to achieve good will among their stakeholders. One of such strategies is CSR which consist a wide range of activities and programs that will improve the organizations social, environmental and local economic impact and their influences on the society, social cohesion and human rights and trade fair.

Literature Review :

Dow Votaw's 1972 comments on what CSR means still hold true today for the most part. He contended "The term (CSR) is a brilliant one; it means something, but not always the same thing, to everybody. To some it conveys the idea of legal responsibility or liability; to others, it means socially responsible behaviour in an ethical sense; to still others, the meaning transmitted is that of 'responsible for', in a casual mode; many simply equate it with a charitable contribution; some take it to mean socially conscious; many of those who embrace it most fervently see it as a mere synonym for 'legitimacy', in the context of "belonging" or being proper or valid; a few see it as a sort of fiduciary duty imposing higher standards of behaviour on businessman than on citizens at large"(Votaw 1972.,25).

Mc Williams et al. (2006) rightly observe that CSR continues to be a 'fertile ground for theory development and empirical analysis'.

RESEARCH METHODOLOGY

This research paper is an attempt of exploratory research, based on the secondary data sourced from the journals, books, articles, magazines, newspaper and reports.

OBJECTIVES

The objectives behind this paper has been analyse the social responsibility of corporate house. The social objectives of business I recognized, to know to whom and for what the business and its management is responsible. The main objectives of this paper are as follows :

- To analyse the major issues in CSR.
- To understand why an organisation contributes to a social issues and causes.
- To understand what the corporate expects to gain in the CSR process.

MEANING

Corporate Social Responsibility (CSR) defines the relationship be-

tween business and the large society. It is defines as the concept whereby companies voluntarily decide to respect and protect the interest of board range of stakeholder. The concept of CSR has triple bottom line approach that considers the social, economic and environmental aspect of the society. Thus CSR demands businesses to manage the economic, social and environmental impacts of their operations to maximise the benefits and minimise the losses. Corporate social responsibility (CSR) defined as the ethical behaviour of a company towards the society.

ISSUES IN CORPORATE SOCIAL RESPONSIBILITY

The key issues of corporate social responsibility are as given below :

- Heath
- Environment
- Agriculture
- Microfinance
- Sanitation
- Management & Rehabilitation
- Development
- Women Empowerment

CHALLENGES OF CSR

- **Need To build local capacities :** There is need for capacity building of the local nongovernmental organizations as there is serious dearth of trained and efficient organisations that can effectively contribute to the ongoing CSR activities initiated by companies. This seriously compromises scaling up of CSR initiatives and subsequently limits the scope of such activities.
- **No knowledge**
- **No participation from local community**
- **Lack of Role of Media**
- **Issues of transparency :** Lack of transparency is one of the key challenge for the corporate as there exist lack of transparency on the part of the small companies as they do not make adequate efforts to disclose information on their programmes, audit issues, impact assessment and utilization of funds.
- **No availability of well organized non-governmental organisation :** There is non-availability of well organised non governmental organizations in remote and rural areas that can assess and identify real needs of the community and work along with companies to ensure successful implementation of CSR initiatives.
- **Visibility factor**
- **Narrow perception towards CSR initiatives :** Nongovernmental organizations and Governmental agencies usually possess a narrow outlook towards the CSR initiatives of companies, often defining CSR initiatives more as donor-driven.
- **No guidelines :** There are no clear guidelines or policy direc-

tives to give a definitive directions to CSR initiatives of companies. The scale of CSR initiatives of companies should depend upon their business size and profile.

- **Measures**
- **Lack of resources**
- **Social and environmental factors**

Conclusion :

This study concludes that, as a society become more concerned about the working policies of the companies. Society expectations are increasing towards the social development by the companies. So, it has become necessary for the companies to practices social responsibilities to enhance their image in the society. There are people who claim that corporate social responsibility underlies some ulterior motives while others consider it as a myth. Corporate social responsibility is the duty of everyone i.e. business corporation, governments, individuals because of the reason; the income is earned only from the society and therefore it should be given back ; thus wealth is meant for the use by self and the public; the fundamental objectives of all business 'ethics and the its treatment of employees and customers.

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