



## CORPORATE SOCIAL RESPONSIBILITY: SOCIETAL PARTNER IN SKILL DEVELOPMENT

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### ABSTRACT

Corporate social responsibility is fundamentally a concept whereby companies prevaricate voluntarily to contribute to a better society and a cleaner surroundings. Corporate social responsibility is represented by the contributions undertaken by companies to society through its business activities and its social investment. Over the last years an increasing number of companies worldwide started promoting their Corporate Social Responsibility strategies because the customers, the public and the investors expect them to act sustainable as well as responsible. The field of corporate social responsibility (CSR) has grown exponentially in the last decade. Nearly all leading organizations in India are involved in corporate social responsibility (CSR) programs in areas like education, health, livelihood creation, skill development, and empowerment of weaker sections of the society. India is currently the second most populous country in the world as per the census of 2011 with over 1.2 billion (120 Crores) inhabitants; it is more than one sixth of total population on the Earth. India has more than 50% of its population below the age of 25 and more than 65% below the age of 35. Effective CSR aims at "achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment."

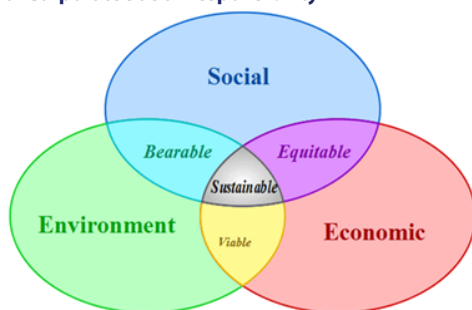
**KEYWORDS** : Corporate Social Responsibility, Organizations and social interest

### DEFINING CORPORATE SOCIAL RESPONSIBILITY:

The European Commission's definition of CSR is: "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis."

According to CSR Asia, "CSR is a company's commitment to operating in an economically, socially and environmentally sustainable manner whilst balancing the interests of diverse stakeholders."

### Areas of Corporate Social Responsibility



### Draft National Policy for Skill Development and Entrepreneurship 2015

The objective of the Policy is to meet the challenge of skilling at scale with speed, standard (quality) and sustainability. It aims to provide an umbrella framework to all skilling activities being carried out within the country, to align them to common standards and link skilling with demand centers. The Policy lists out ten major directions for the Skill Development Framework, including increasing the capacity, synergy among existing schemes, global partnerships and inclusivity. It seeks to address the lacunae in Entrepreneurship by steps like streamlining entrepreneurship in education system, inventing business through mentorship, fostering social entrepreneurship, promoting inclusivity, improving the ease of doing business and providing access to finance. It also mentions the possibility of the launch of the National Mission for

Skill Development & Entrepreneurship in next six months. The policy encourages companies to spend at least 25% of Corporate Social Responsibility (CSR) funds on skill development, seeks to introduce fee paying model along with Skill Vouchers, and set up a Credit Guarantee fund for Skill Development. A 'Project Implementation Unit' (PIU) is also proposed to be set up to review the implementation and progress of the various initiatives under this policy.

### Government Policies on Skill Development

The Government has recognized the need for Skill Development with the 11th Five Year Plan providing a framework to address the situation. The first National Skill Development Policy was framed in 2009 and subsequently a National Skill Development Mission was launched in 2010. The Policy was to be reviewed every five years to evaluate the progress and revised appropriately. The 12th Five Year Plan observes that Skill development programmes in the past have been run mainly by the government, with insufficient connection with market demand. It has called for an enabling framework that would attract private investment in Vocational Training through Public-Private Partnership (PPP). The NDA Government created a Ministry of Skill Development & Entrepreneurship to address the Skill Development needs.

### Vision for the National Skill Development Initiative in India

- 1 Scale of ambition:** At present the capacity of skill development in India is around 3.1 million persons per year. The 11th Five Year Plan envisions an increase in that capacity to 15 million annually. India has target of creating 500 million skilled workers by 2022. Thus, there is a need for increasing capacity and capability of skill development programs.
- 2 High inclusivity:** The skill development initiatives will harness inclusivity and reduce divisions such as male/female, rural/urban, organized/unorganized employment and traditional/contemporary workplace.
- 3 Dynamic and demand-based system planning:** The skill development initiatives support the supply of trained workers who are adjustable dynamically to the changing demands of employment and technologies. This policy will promote

excellence and will meet the requirements of knowledge economy.

- 4 **Choice, competition and accountability:** The skill development initiative does not discriminate between private or public delivery and places importance on outcomes, users choice and competition among training providers and their accountability.
- 5 **Policy coordination and coherence:** The skill development initiatives support employment generation, economic growth and social development processes. Skill development policy will be an integral part of comprehensive economic, labour and social policies and programmes. A framework for better coordination among various Ministries, States, industry and other stakeholders will be established.

## 1. SKILL DEVELOPMENT AND TRAINING PROGRAMMES UNDER VARIOUS MINISTRIES/ DEPARTMENTS:

### 1.1 Social Justice & Empowerment:

#### • Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme:

National Institute of Mentally Handicapped, National Institute for the Orthopedically Handicapped, Institute for Physically Handicapped, National Institute for the Hearing Handicapped, National Handicapped Finance and Development Corporation, National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents, National Scheduled Castes and Scheduled Tribes Finance and Development Corporation, Rehabilitation Council of India.

#### • Target Group

Disadvantaged and marginalized sections of the society viz., SC, Minorities, B.C., Persons with disabilities, Aged Persons, Street children and victims of Drug Abuse etc.

### 1.2 Tribal Affairs:

#### • Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme:

Vocational Training Centers (VTC) in Tribal Areas. (100% central assistance is given to State/UT/NGO for setting up Vts.

#### • Target Group

Unemployed Tribal youth (Each person is given training in two trades)

### 1.3 Women & Child Development:

#### • Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme:

Support to Training and Employment Programme for Women (STEP),

Swalamban (previously NORAD),

Women Empowerment Programme in collaboration with IGNOU (Training programme on "Empowering women through SHG") Kishori Shakti Yojana,

Central Social Welfare Board (programmes are organized by voluntary organizations)

#### • Target Group

To provide updated skills and new knowledge to poor and asset less women traditional sectors. To train poor women mostly in non-traditional trades.

To train women in marketable trades and also to upgrade their skills for getting remunerative employment opportunities.

To organize women into effective Self Help Groups.

### 2. Social Partners in Skill Development:

Partnerships will be consciously promoted between Government,

industry, trade unions, local governments, civil society institutions and all skill providers. It will also include, training providers, professional societies, Self Help Groups, Cooperatives and NGOs/civil society institutions. Creation of an institutional mechanism and regular consultation with stake holders will form the corner stone of Skill Development Initiative. Roles and responsibilities of stake holders:

#### 2.1 Roles and responsibilities of Government (Central /State or local level)

- Setting up priority and policy planning-statistics gathering.
- Providing regulatory framework and enabling environment for stake holders.
- Devising financing mechanism, reward and promotional framework.
- Capacity building of social partners.
- Setting up of monitoring, evaluation and dissemination of information.
- Facilitating international co-operation.
- Setting up of a qualification framework and quality assurance mechanism.
- Preparation of work plans to meet sector specific skill sets.

#### 2.2 Roles and responsibilities of employers/industries:

- Owning Skill Development activities.
- Identification of competencies and setting up of competency standards,
- Skill demand analysis and curriculum development.
- Facilitating training of trainers.
- Delivery of training, monitoring and evaluation.
- Participation in examination and certification.
- Participation in affiliation and accreditation process
- Sharing of work place experience, machinery and equipment.
- Support by way of physical, financial and human resources.
- Facilitating employment of trained graduates.
- Supporting skill development initiatives of other public and private agencies.
- Implementing apprenticeship schemes.
- Investing in skill development activities.

#### 2.3 Roles and responsibilities of trade unions:

- Assist in developing competency standards.
- Assist in course designing, examination and certification.
- Raising awareness about the benefit of training, skill development plans and activities among the workers.
- Promote skill up gradation and lifelong learning among the workers.
- Running special skill development institutes for skill development of workers.
- Promoting investment on skill development among the employers.
- Facilitate improving status of VET trained graduates.

#### 2.4 Roles and responsibilities of civil society organizations:

- Raising awareness about skill development plans and activities among the public.
- Facilitate improving status of VET trained graduates.
- Implementing skill development programmes of the Government.
- Assist in developing competency standards.
- Assist in course designing, examination and certification.
- Promote lifelong learning among the public.
- Promoting dignity of labour among the public.
- Sharing experience of learning with others.

#### CONCLUSION:

Today, CSR in India has gone beyond merely charity and donations, and is approached in a more organized fashion. It has become an integral part of the corporate strategy. Companies have CSR teams that devise specific policies, strategies and goals for their CSR programs and set aside budgets to support them. It can be concluded that in today's informative world where information are

readily available to general public CSR has been an important part of any organization to be successful. Organization in present world cannot be successful without taking into account the social responsibility. CSR has been a vital component for any organization to have perpetual success and to create brand. Corporate Social Responsibility (CSR) defined as "the ethical behavior of a company towards the society," manifests itself in the form of such noble programs initiated by for-profit organizations. CSR has become increasingly prominent in the Indian corporate scenario because organizations have realized that besides growing their businesses it is also vital to build trustworthy and sustainable relationships with the community at large. This is one of the key drivers of CSR programs. Another reason fuelling this rapid adoption of CSR is the state of the Indian society. Though India is one of the fastest growing economies, socio-economic problems like poverty, illiteracy, lack of healthcare etc. are still ubiquitous and the government has limited resources to tackle these challenges. This scenario has opened up several areas for businesses to contribute towards social development.

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