Corporate Social Responsibility: a Case Study of Ngo - Maa Foundation Funded by Microinks: India`S Leading Ink Manufacturer

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Corporate Social Responsibility: A historical perspective
The concept of CSR in India is not new, the term may be. The process though acclaimed recently, has been followed since ancient times albeit informally.

Philosophers like **Kautilya** from India and **pre Christian** era philosophers in the west preached and promoted ethical principle while doing business. The idea was also supported by several religion where it has been intertwined with religious laws. "**Zakaat**", followed by Muslims, in donation from one's earning which is specifically given to the poor and disadvantaged. Similarly Hindu follow the principle of "**Dharmada**" and Sikhs the "**Daashaant**".

In the global context, the recent history goes back to the seventeenth century when in 1790, England witnessed the first large scale customer boycott over the issue of slave harvested sugar which finally force importers to have free labor sourcing. In India, in the pre-independence era the business which pioneered industrialization also followed the idea. To name a few like **Tata, Birla** and **Bajaj**'s practiced CSR in their organization. They put the idea into action by setting up charitable foundation, education and health care institutions and trusts for community development.

By late 1990 concept was fully recognised; people and institutions across all sections of society started supporting it.

This can be corroborated by the fact that while in 1977 less than half of the Fortune 500 firms even mentioned CSR in their annual reports, by the end of 1990, approximately 90 percent Fortune 500 firms embraced CSR as an essential el-ement in their organisational goals, and actively promoted theirCSR activities in annual reports (Boli and Hartsuiker,2001).

According to "**Altered Images: the 2001 State of Corporate Responsibility in India Poll", a survey conducted by Tata Energy Research Institute (TERI),** the evolution of CSR in India has followed a chronological evolution of 4 thinking approaches:

Ethical Model(1930 –1950): One significant aspect of this model is the promotion of "trusteeship" that was revived and reinterpreted by Gandhiji. Under this notion the businesses were motivated to mange their business entity as a trust held in the interest of the community. The idea prompted many family run businesses to contribute towards socioeconomic development. The efforts of Tata group directed towards the well being of the society are also worth mentioning in this model.

Statist Model (1950 –1970s): Under the aegis of Jawahar Lal Nehru, this model came into being in the post independence era. The era was driven by a mixed and socialist kind of economy. The important feature of this model was that the state ownership and legal requirements decided the corporate responsibilities.

Liberal Model (1970s –1990s): The model was encapsulated by Milton Friedman. As per this model, corporate responsibility is confined to its economic bottom line. This implies that it is sufficient for business to obey the law and generate wealth, which through taxation and private charitable choices can be directed to social ends.

Stakeholder Model (1990s – Present): The model came into existence during 1990s as a consequence of realization that with growing economic profits, businesses also have certain societal roles to fulfill. The model expects companies to perform according to "triple bottom line" approach. The businesses are also focusing on accountability and transparency through several mechanisms.

CSR Definition
According to **Philip Kotler** and **Nancy Lee CSR is "A** commitment to improve community well being through discretionary business practices and contribution of corporate resources "

According to **Mallen Baker CSR is** "A way company manages the business process to produce an overall positive impact on society"

CSR Rationale
The rationale for CSR has been articulated in a number of ways. In essence, it is about building sustainable businesses, which need healthy economies, markets and communities. The major reasons for CSR can be outlined as:

Globalization: As a consequence of cross-border trade, multinational enterprises and global supply chains, there is an increased awareness on CSR concerns related to human resource management practices, environmental protection, and health and safety, among other things. Reporting on the CSR activities by corporate is therefore increasingly becoming mandatory.

International Legal Instruments and Guidelines: In the recent past, certain indicators and guidelines such as the **SA8000**, a social performance standard based on **International Labour Organization** Conventions have been developed. International agencies such as United Nations and the Organization for **Economic Co-operation and De-**

velopment have developed compacts, declarations, guidelines, principles and other instruments that set the tone for social norms for organisations, though these are advisory for organisations and not mandatory.

Changing Public Expectations of Business: Globally companies are expected to do more than merely provide jobs and contribute to the economy through taxes and employment. Consumers and society in general expect more from the companies whose products they buy. This is coherent with believing the idea that whatever profit is generated is because of society, and hence mandates ontributing a part of business to the less privileged.

Further, separately in the light of recent corporate scandals, which reduced public trust of corporations, and reduced public confidence in the ability of regulatory bodies and organizations to control corporate excess. This has led to an increasing expectation that companies will be more open, more accountable and be prepared to report publicly on their performance in social and environmental arenas.

Corporate Brand: In an economy where corporate strive for a unique selling proposition to differentiate themselves from their competitors, CSR initiatives enable corporate to build a stronger brand that resonates with key external stakeholders – customers, general public and the government. Businesses are recognising that adopting an effective approach to CSR can open up new opportunities, and increasingly contribute to the corporates' ability to attract passionate and committed workforces.

Trends in Corporate: From Charity to Responsibility

An insight into the history of CSR reveals that till 1990s it was solely dominated by the idea of philanthropy. Considering CSR as an act of philanthropy, businesses often restricted themselves to one time financial grant and did not commit their resources for such projects. Moreover, businesses never kept the stakeholder in mind while planning for such initiatives, thereby reducing the efficacy and efficiency of CSR initiatives. However, over the last few years, the concept of CSR has been changing. There has been an apparent transition from giving as an obligation or charity to giving as a strategy or responsibility. Review of the case studies and work done on CSR by companies in India suggests that the CSR is slowly moving away from charity and dependence and starting to build on empowerment and partnership.

Conceptualisation: Nowadays corporates are treating CSR as a separate entity and devote attention to it. Most of the corporates have a vision and mission statements often at the corporate level or sometimes at the CSR level that drive their CSR initiative. Deliberations are made to choose specific issues and initiatives. It has been observed that the areas they choose somewhere relate to their core values. Companies today are increasingly sensitive about their social role. The companies not only concentrate on how they will position their product or how they will sell it but also they have a social strategy because they have started feeling that brands are built not only around good quality of the product; but also around emotions and values that people ascribe to those products. Today, CSR has been understood in terms of accountability where corporates are feeling that they are responsible for the impact their actions have on several stakeholders. They feel that the basic motive of CSR today is to increase the company's overall impact on the society and stakeholders.

Implementation: Moving away from the traditional approach, corporates rather than following top to bottom mechanism are increasingly bearing stakeholders' perspectives in mind, thereby considering CSR as a comprehensive set of policies, practices and programmes that are integrated throughout the business operations.It can thus be deduced that radical transformation is happening with CSR practices across India. The changes happened at conceptual level where **charity oriented** approach is now being seen as a **stakeholder oriented** approach and at implementation level where other important resources except finance are being dedicated Several innovative programmes in thematic areas of public health, education, environment, microfinance and related areas are being developed. These programmes are developed bearing in mind the local cultural context and the needs of people.Apart from devoting funds, expertise in terms of knowledge and human resource is also allocated for successful implementation of these programmes.In a growing number of companies these processes are encouraged and rewarded by top management. The implementation of programmes through a trained resource makes a difference in the community that has been chosen for implementation.

The following are key focus areas being incorporated into business practices:

Partnership with NGOs and Government: There has been an increase in the number of corporates partnering with NGOs and the Government to ensure successful execution of initiatives.

Community development: Most large companies either have their own foundations or contribute to other initiatives that directly support the community upliftment, notably in health, education, and agriculture.

Environmental management: Environmental policies and programmes are now standard, and many companies have implemented the ISO 14 001 system throughout their businesses.

Workplace Growing out of a long-standing commitment to training and safety is a more recent emphasis on knowledge and employee well-being.

Evaluation Along with innovation at conceptualization and implementation, corporates are now undertaking greater evaluation and stricter accountability and transparency norms. Evaluating the programme essentially answers the question "what good did we do?" Evaluating programmes, based on internationally accepted formats provide feedback for correction and based on that public disclosure is done.

Reporting A very important aspect of CSR is the reporting practices that corporates adhere to inform their key internal and external stakeholders of social responsibility practices. In the recent past, several indicators such as the Global Reporting Initiatives guidelines and sustainability reporting have been developed. Sustainability Reporting (SR) frameworks help the companies conform to the global standards of disclosures for maintaining transparency with regard to its operations and value chain and ensuring accountability towards its internal and external stakeholders.

A *small case study* of a company which practices CSR in education through community fund. The name of the Company is **Micro Inks** the number one company in India for the manufacturing of Inks, corporate office in Vapi.

Access to quality education is the right of one and all. However in India, it is a privilege available to only the urban students. Due to this, a vast population of the country is not able to benefit from, or contribute towards the current economic growth of the country. Only if quality education reaches the most rural areas of the country, will India be able to emerge as a true economic superpower. Looking at the gravity of the problems currently prevailing in the Indian education system, efforts made by the government alone will not be sufficient. Committed individuals and corporate will have to pinch in with their time, money and people by way of Public Private Partnership (PPP) and/or CSR projects, to help India reach its maximum human potential.

Maa Foundation is an NGO working in the Valsad, Amreli & Bhavnagar districts of Gujarat. It is completely self-funded by a corporate group which aims to bring about reforms in the field of education, by working at grass root level, hand-in hand with the government. The organization operates like a company with complete zeal and dedication. It tries to maintain the highest level of efficiency and accountability in planning, executing and monitoring its projects. India is a large country consisting of 28 states, 7 Union territories and 671 districts. In order that the benefit of its efforts reach each and every district of the country, Maa Foundation is building projects/ models that are scalable, sustainable, and replicable so that other corporate/ individuals can replicate them in areas of their interest or vicinity.

Maa Foundation is currently working with the entire education community viz: the students, teachers, Principals, parents and the government through its below mentioned projects. Through its efforts Maa Foundation is trying to enlighten/ improve the lives of 250,000 children and 7000 teachers of the 1300 odd schools that it is currently working with in 550 towns and villages of Valsad district.

Vision: - To make each and every schools of Valsad district a role model in the field of education.

Mission: - To create a model that is scalable, sustainable and replicable, so as to bridge the gap between urban and rural education.

Maa foundation is promoted by the Bilakhia Group. The Group has created global size in printing inks and crop protection chemicals and has partnership with two international giants: Hubergroup (the fifth largest printing ink company in the world) and Bayer Crop Science (the world's leading agrochemical group). It has also entered the emerging fields of health care and education. In all its endeavors, the Bilakhia Group stays committed to its shareholders, its people, its customers, the community and planet at large.

The project that has been carried out by Maa foundation is as follow
1) *Parvarish*: Parvarish identifies the inner strengths of the students & grooms them according to their potential by providing vocational guidance along with personality development camps, career counseling, seminars & educational/ industrial trips in order to explore their capabilities at their fullest.

Project Parvarish equips students with essential soft and social skills by organizing 5 to 7 day personality development camps in which they are introduced to various topics like leadership qualities, manners and etiquettes, communication skills, time management, SWOT analysis, India's economy and its future etc. through presentations as well as activities.

They are taught essential human values like respect, patriotism, honesty, self discipline etc which can help them lead a happy and satisfactory life. They are taught meditation techniques essential for maintaining a healthy mind and body. Students are also taken on educational and industrial tours in order to give them a glimpse of real life working environment.

Status till this date: Over 4,750 students have participated in personality development camps till this date.

2) *Ken* : Ken means range of knowledge. Project Ken aims at making quality education available to the most rural areas of Valsad district and in spreading awareness

about the importance of education across villages. Maa Foundation is bringing about this educational reform in Valsad district with the help of local talent. The educated, unemployed rural youth of the district have been selected, empowered and trained by Maa Foundation. Intensive coaching in everything from English language and IT to personality development, management skills and soft skills helps transform these young villagers into enthusiastic para teachers. They are then deployed as Education Officers in the rural schools of Valsad district. They are provided refresher training every week and during vacations at Maa Foundation's regional offices. These para teachers act as catalyst in improving the quality of education imparted in the schools and making each school a role model school.

Status till this date: 24 program officers and 386 education officers have been trained and deployed in 386 schools of Valsad and Amreli districts of Gujarat. The following number of students has been covered and benefited in the project with various need based education, training and resources till date:

· 23340 weak students have been trained for minimum level education.
· 32822 students of class 3rd have been trained for advanced math.
· 41451 students have been taught English language.
· 82608 students from 1068 schools have been provided basic computer education.
· Health education sessions have been taken on every Saturday in the all the schools.
· Implementing pre-defined extracurricular activities in all schools.
· 1, 54,000 school bags including stationary have been given to Class I students on the every first day of academic year.
· Implementing role model school concept in more than 250 schools of valsad district.
· Learning through digital content from standard 1st to 8th

3) *Vidhya* :

Higher education is becoming more out-of-reach of many sections of the society and for those students, who are **both, academically deserving and economically needy**, project Vidhya is their ray of hope. It is a scholarship program that provides financial assistance to undergraduate, graduate and post-graduate students of Valsad, Amreli and Bhavnagar districts of Gujarat.

The scholarship amount each deserving student is eligible for is determined after a personal interview. The potential and financial background of students is assessed, their credentials are verified and their plans for the future are discussed. To help these young scholars continue to excel and give them focus, academic targets are mutually agreed upon and set.

Efforts are made to ensure that only deserving students continue to receive the scholarship. The project greatly benefits financially weak parents. While students rest assured that their hard work and academic dreams are now backed up financially by the MAA Foundation.

Status till this date: 10,000 (Deserving and needy) students have been provided scholarships which have approximately covered 6000 students of Valsad district and over 4000 students of Bhavnagar and Amreli districts annually. More than 3600 Undergraduate, 3000 Graduate, and 1000 Post-graduate students have been benefited under the project.

5) **Gnyan** : Gnyan enhances the quality of teaching by conducting training programs & motivating teachers by giving them their due recognition & incentive in order to bring an improvement in teacher's attitude. Around 800 school teachers have taken professional training.


4) **Puraskar** : Puraskar gives recognition to the toppers of various schools to motivate them & inspire others to achieve high

6) **Prerna** : Prerna aims at reducing the drop out ratio to

0% by organizing education related programs

8) **Udaan** : Udaan aims at uplifting the level of education/ skills of rural students and enable them to compete with their urban counterparts. Udaan has adopted 700 first generation.

7) **Saath**: Saath aims at infusing quality into the slum schools, so as to enable the underprivileged deserving to reach their fullest potential. A school consisting of 2400 underprivileged student have been adopted by Saath.
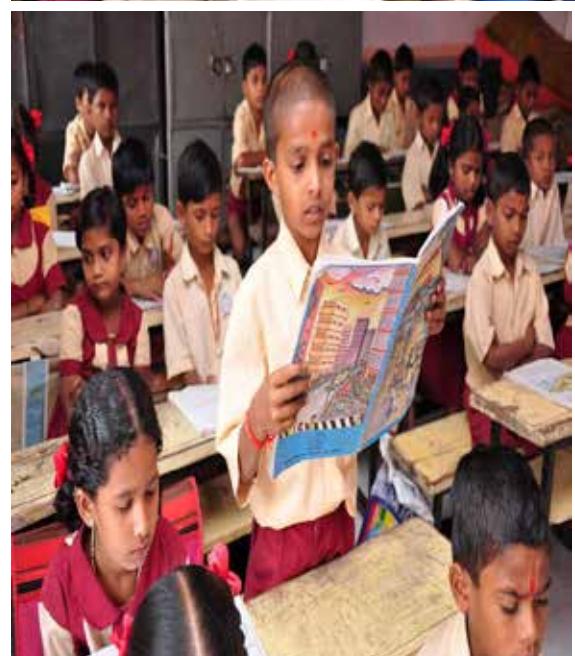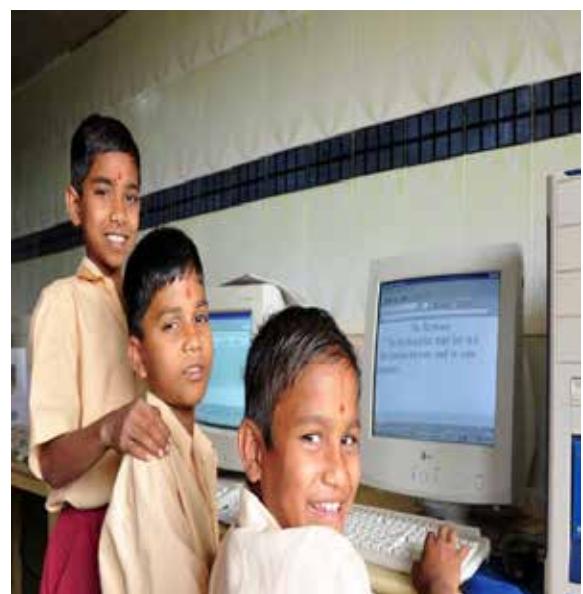
9) *Samarthan*: Free one stop education portal for parents, students and teachers. It provide a single access point to teacher and students to information related to education like career guidance, competitive exam, admission procedure, scholarship available, daily G.k, online aptitude test and many more.

This project is carried throughout Valsad and Bhavnagar District With the **mission to transform a child into a responsible citizen, by providing knowledge blended with values system empowering a child to achieve greater heights**.

Conclusion:

A lack of understanding, inadequately trained personnel, non availability of authentic data and specific information on the kinds of CSR activities, coverage, policy etc. further adds to the reach and effectiveness of CSR programmes. But the situation is changing. And CSR is coming out of the purview of 'doing social good' and is fast becoming a 'business necessity'. The 'business case' for CSR is gaining ground and corporate houses are realizing that 'what is good for workers - their community, health, and environment is also good for the businesses.

Absolutely everything we do, give, say or even think, it's like a boomerang. It will come back to us. If we want to receive, we need to learn to give first, maybe we will end with our hand empty but our heart will be filled with love. By this believe Corporates social responsibility would grow and prosper.

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