



CSR IN HEALTH CARE – AN OVERVIEW

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ABSTRACT

There is much that companies can do to support health care as a part of their 2% mandatory spending. Self-driven corporate social responsibility (CSR) providing free or subsidised services will be useful to the under privileged people. Companies need to find more ways to engage in CSR activities around healthcare. CSR activities need to focus on primary, secondary and tertiary aspects of health care. Such CSR initiatives will minimise the health care problems to a larger extent and in turn develop company's positive business reputation, better financial performance etc. This paper is an overview of understanding the integration of CSR with public health care.

KEYWORDS : CSR, Health Care, HCOs

INTRODUCTION:

"We generate wealth for the people. What comes from the people must, to the extent possible, therefore get back to the people." - Bharat Ratna, JRD Tata.

Though India has long history of community work done by corporate sector, Government of India has made it a rule under Companies Act. India's new Companies Act 2013 introduced a provision for Corporate Social Responsibility (CSR), which rests upon the ideology that companies need to give back to the society in some way as they also take from the society in the form of raw materials, human resources. Every company, private limited or public limited, national or foreign which either has a net worth of Rs 500 crore or a turnover of Rs 1,000 crore or net profit of Rs 5 crore, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities.(Ekta Behl, 2014) Kotler and Lee define CSR as "Corporate social responsibility is a commitment to improve community well-being through discretionary, business practices and contribution of corporate resources." They further define CSR as Corporate social initiatives are major activities undertaken by a corporation to support social causes and to fulfil commitments to corporate social responsibility" (Kotler, 2005)

Three types of CSR:

- 1) Required of business by society**—the "must do" feature of social responsibility, this aspect is required for a corporation's sustainable existence. For e.g., delivery of products or services in good quality and at a fair price, compliance with laws and regulations, employment at fair and living wages and in decent working conditions, profit-making, and wise strategic decisions.(Leisinger, 2005)
- 2) Expected of business by society**—the "ought to do" feature of social responsibility which is associated to "good corporate citizenship". This feature include extra-legal obligations like avoiding questionable practices and being fair and responsive to legitimate concerns of fair-minded stakeholders, as well as working legitimately beyond legal requirements where local legal conditions do not meet enlightened standards, such as with regard to social and environmental conduct. (Leisinger, 2005)
- 3) Desired of business by society**—the "can do" feature of social responsibility, results into public praise. This action is neither required by law nor by standard of industry practice for e.g., corporate philanthropy, community and neighbourhood programs and donations. Practicing the "can do" norms of social responsibility will not shield a company who do not abide by the law or other aspects of the "must do" dimension. (Leisinger, 2005)

Enterprises with open-minded leadership should do more than just the minimal, explained by the "must" dimension in view of the global social problems. This means that most of the "ought to do" as well as some of the "can do" dimensions liquefy with the "must do" category. (Leisinger, 2005) Hence, HCOs, pharmaceutical companies and other private organisations, possessing both financial capitals and knowledge and experience, include all three dimensions i.e., "must

do" "ought to do" and "can do" in their CSR initiatives.

The above mentioned dimensions go along with the Archie Carroll's Pyramid of CSR as shown below:



Figure 1: Carroll's Pyramid of CSR (Carroll BA, 2016)

CSR by Health Care Organisations/Pharmaceutical Companies:

For Health Care Organisations (HCOs), CSR should take into account the poverty related health challenges. The important task of any HCOs or pharmaceutical company is to clarify itself about its effect on society's various requirements and objectives and to be attentive and responsive to the demands of stakeholders. By this approach, the business enterprises will have a realistic and specific social responsibility which is based on corporate values, resources and enlightened leadership. (Leisinger, 2005)

Ethical Principles

a) Principle of Justice: United Nations Declaration on Human Rights, Articles 25 and 28 states; "Everyone has the right to a standard of living satisfactory for both the health and well-being of himself and of his family, including food, clothing, housing, and medical care." Thus, social justice includes the human right to health, consequently health is a universal human right and there must be worldwide access to medicines. (Brewer, 2014) Thus, HCOs and pharmaceutical companies have an ethical responsibility towards those who are deprived of health care by making it accessible to them through CSR, while achieving sustainable business ends. (Brewer, 2014) This means each person, regardless of his/her social status, should have equal access to an adequate level of health care.

b) Principle of Beneficence:

Pharmaceutical companies and HCOs have an obligation to follow the principle of beneficence. Beneficence states that one should prevent harm, remove harm, and promote good.(Siniora, 2017) Social responsibility requires HCOs to carry out something valuable and not only abiding by the law or to broad ethical principles. This implies that the interests and values of all stakeholders are taken into concern. (Brandao, 2012)

Common Good

Pharmaceutical corporations and HCOs with their products and services contribute to the common good. The modern medicines and treatments support in preventing or curing diseases and subsequently reducing the death rates. Successful HCOs increase the quality of life of the sick, minimizes the hospitalization through researching, manufacture, and distribute drugs of high social benefits. (Leisinger, 2005). Because of HCOs expertise, knowledge, huge resources and executive talent to resolve societal problems, they fully able to understand the societal health needs both in the developing world and in economically deprived communities. (Porter & Kramer, 2011) Therefore HCOs must have overall responsibility towards society by exhibiting corporate commitment, responsibility towards patients, ethical performance. For example, a socially responsible pharmaceutical company or hospital should ascertain and examine the ways to discard the waste product that may pollute the environment. (Brandão, Rego, Duarte, & Nunes, 2013)

Examples of CSR initiatives undertaken by pharmaceutical companies:

- Daiichi Sankyo funded by Ranbaxy Laboratories Limited, India provides services in the area of maternal health, HIV/AIDS, malaria. This services is beneficial to mothers, children and infected patients
- Cipla Palliative Care and Training Centre, Pune, funded by Cipla Limited Health, focus on education, health, social equality, rural development for people suffering from Cancer.
- Niramaya Health Foundation funded by GlaxoSmithKline Pharmaceuticals Limited renders financial support, medicines and equipment to service providers which is focuses on health services and health education to rag pickers, particularly children and poor families who work in dumping grounds. (Panneer & Mathur, 2016)

CSR in health care by Corporate/Companies:

Society expects companies to play an increasing role in strengthening population health. Currently Health is becoming an important point of CSR mainly because healthy workforce and community are essential to the longevity of a business and success of an economy. Hence companies are emphasizing their roles in improving population health by concentrating on wellness and prevention of diseases among not only of their employees, but also local communities and the general public. *The TATA Group's 'Health for All', Health care facilities open to employees and non-employees 850-bed hospital, two super dispensaries and nine dispensaries in Jamshedpur Mobile medical units reach out to rural and semi urban areas Health Centres based in villages and communities.* (Amit Kumar Srivastava, Gayatri Negi, Vipul Mishra, 2012) As population health will require a systemic approach, more collaboration across companies and industries are required.

Many corporations' initiates CSR in health care, beyond their industry knowledge. For example, the Emirates Airline's a 'floating' hospital called 'The Emirates Friendship Hospital Ship', provides medical assistance to people affected by monsoon flooding in the most deprived region of Bangladesh. (Walid, 2015) Many corporations with joint ventures with local or national governments may deliver CSR health initiatives; the Jordan Healthcare Initiative developed by Cisco Systems Inc, a corporation that designs and sells internet-based network products and services within the IT and communications industry in collaboration with the Government of Jordan to bridge the gap between rural patients, who may lack resources to access healthcare, and urban hospitals. Cisco Systems Inc contributes by providing specialized software to facilitate peer-to-peer clinical communications, to reach patients in remote locations, to transfer radiological images, and to develop collaboration among physicians. (Mccartney, 2015) Companies CSR practices to be accountable and transparent, in terms of corporate governance as well as environmental, social and financial sustainability.

CONCLUSION:

HCOs, Pharmaceutical Companies and Private Sectors have ethical social responsibility towards health care. This enables to access the health care by those who are deprived of health facilities due to the financial difficulties not only at individual level but community at large, while achieving sustainable business ends. CSR initiatives in health care must eliminate the health issues globally.

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