



The Relevance of Corporate Social Responsibility (CSR) Towards a Sustainable Development: A Case Study of Wipro

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ABSTRACT

In the recent years managers have devoted considerable attention towards the strategic implications of corporate social responsibility (CSR) towards a sustainable future. It is not only the responsibility of the Government to provide legislative framework, to look after the environmental sustainability but it demands an effective participation from the corporate and the business world. This paper is an attempt to highlight the importance of Corporate Social Responsibility as a tool to ensure greater participation of business houses towards sustainable development in a holistic manner. The study will also elucidate the contribution of WIPRO towards achieving this goal.

KEYWORDS

Corporate Social Responsibility, Legislation, Sustainable Development, WIPRO

INTRODUCTION

Early notions of CSR on an academic level can be traced back to the 1960s. CSR can be defined as the social responsibility of business and it encompasses the economic, legal, ethical, and discretionary or philanthropic expectations that society has of organizations at a given point in time (Turner, 2006).

OBJECTIVES OF THE STUDY

1. To analyze the concept and scope of CSR
2. To evaluate CSR activities of WIPRO

REVIEW OF LITERATURE:

The term corporate social performance was first coined by Sethi, later on expanded by Carroll in the year 1979, and then furnished by Wartick and Cochran (1985). At the global level, the first attempt to define CSR is contributed to Howard Bowen's Social Responsibilities of the Businessmen (1953). It keeps the interest of both internal and external stakeholders (Strautmanis, 2007). CSR is a consequence of global business activities (Zadek, 2001).

METHODOLOGY

The study is based on secondary data collected from various sources including books, research papers, newspapers, magazines, and websites is used for the purpose of study.

SUSTAINABLE DEVELOPMENT

Sustainability is about balancing without compromising. It is about development that meets the needs of the present and the ability of the future generations to meet their needs.

CURRENT TRENDS AND STATUS OF CORPORATE SOCIAL RESPONSIBILITY IN INDIA

With effect from April 1, 2014, every company, private limited or public limited, 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. Figure 1 gives an overview of the CSR spending of IT companies in India.

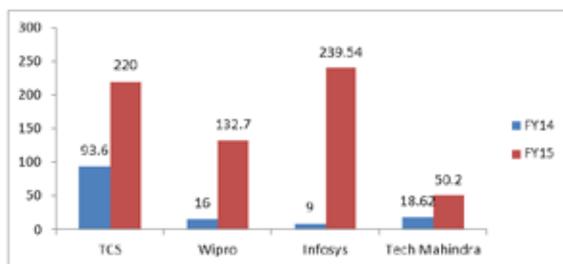


Figure1: Trend of CSR Spending of top IT Companies in India (Rs. Crore)

Source: Ramanathan, 2015

As shown in figure 1, there is a significant increase in CSR spending by leading information technology companies in India. The combined spending of these four companies has increased about five times from Rs 137.22 crore in financial year 2013-14 to Rs. 640 crore in financial year 2014-15. The effect is a direct fall out of new CSR rules, according to The Companies Act 2013, which requires companies with net worth of at least Rs 500 crore or Rs 5 crore net profit, or revenue of at least Rs. 1000 crore to spend 2% of three years profit for CSR activities.

WIPRO

With over two decades of experience, 1900 employees and 275 business partners serving over 40,000 customers, Wipro has stamped its presence on the Indian market and leads the Indian IT industry. Wipro is known for its CSR activities and eco friendly practices.

Wipro's initiatives in sustainable education are more than a decade old and the approach is multi-stakeholder focused or multiple sustainability and long-term. The programmes address diverse stakeholders ranging from local educational institutions, engineering colleges, universities, educational and other civil society organizations, schools, teachers, students and parents. The programme EARTHIAN was launched in April 2011 across the country. The themes were Climate Change, Cities and Urbanization, Homes, Agriculture, Water, Biodiversity. Earthian's' first edition met with outstanding response.

Earthian is a global initiative by the company for sustainability education programme in schools and colleges. The focus of the programme is to provide an understanding the issues related to ecological and social sustainability.

This programme which entered its fourth year, aims to provide an interconnected understanding of different disciplines in education related to ecological and social sustainability. The action will now move to Stage 2 when Wipro and its partners will work closely with the winning institutions over a three-year cycle. Continuing programmes that involve working with the local communities on their most prominent sustainability issues; this is particularly relevant for institutions that are located in semi-urban or rural context. The programmes under this scheme are as follows:

1. Measurement of the ecological footprint of the institution campus on energy/carbon, water, waste and biodiversity.
2. Launched Hindi edition with center for environment education.
3. Empirical citizen science programme that may involve observing, recording and analyzing information on tree phenology (flowering) and linking it to changing weather patterns changing the ground water levels to be measured and how they change at different parts of the year or with changes in local topography.
4. Field outreach programmes in biodiversity sensitive areas that will combine observation and experiential learning combined with theoretical principles of biodiversity and its value.
5. Continuing programmes that involve working with the local communities on their most prominent sustainability issues; this is particularly relevant for institutions that are located in semi-urban or rural context.
6. Summer or interim internships for the college students that involve working with an expert field organization on any of the sustainability issues, e.g., Behavioural Science nudges that can help reduce energy or water consumption in homes' or the correlation between deforestation and livelihood loss.

Mission10X

This is a not-for-profit initiative of Wipro Technologies founded in the year 2007. The Mission 10 x focuses on making the engineering education system responsive to evolving needs and so has supported faculty development in colleges to increase learning with understanding and employability of graduates. The three main attributes covered are communication, team work, and deeper learning. The firm launched "Aarambh" an e-learning program for fresher faculty to teach how to teach.

WATIS: Wipro Applying Thought in Schools (WATIS) has been engaged in building capacities for school education reform in India for last twelve years. WATIS partners forum 2014, organized with the theme of textbook and education. Global boots portal launched in 2013 (wipro, 2014).

COMMUNITY SERVICE

The primary work with communities deals with Primary health care, education for the underprivileged and Long term disaster rehabilitation. During the year 2013 and 2014 the focus was mainly on covering the remote villages at Aurangabad, Tumkur, Hindupur, Mysore and Amalner. The projects have reached out to a population of around 36000 people at 39 villages (Wipro, 2014).

In Education, Wipro Cares added a project that reached out to 500 children in Sarjapur area in Bangalore to improve their health and educational status in collaboration with Magic Bus, India. Further, support was given to 47000 children in five cities through five projects in Bangalore, Kolkata, Gurgaon, Hyderabad and Pune (Wipro, 2014).

The social forestry project, in its third phase planted of 25,000 young saplings by about 25 farmers in Villupuram district of

Tamil Nadu. Thus over the last three years, the livelihood of more than 60 farmers had been improved through this project. There was an increase in more than 75000 trees, planted in the rural Tamil Nadu through this project.

In the state of Uttarakhand, after the calamity Wipro Cares finalized a project that would work with 1000 families on exploring alternative modes of livelihood to reduce their economic dependence on tourism. They are also focusing to equip the local communities with preparedness strategies to tackle natural disasters in the future.

ECO EYE is considered as the journey to more sustainable business practices. The focus is on reducing ecological footprint of the business operations, engagement with employees and their supply chain, partners and customers to create a more sustainable society, and transparent reporting/disclosures. For customers and business partners, the company offers a host of solutions and products to help make their own businesses more sustainable. Transparent reporting is important for our internal and external stakeholders, and their certain achievements in this area: leaders in CDP, Newsweek, Greenpeace, RobecoSAM, inclusion in DJSI and NASDAQ 100, rated among the top in OeKom apart from host of others (Wipro, 2012).

FINDINGS:

1. There is a need to sensitize corporate and business classes toward evolving a culture of sustainable development and empathy towards nature and environmental vulnerable section of the society.
2. Wipro's community initiative focused on certain key developmental issues faced by the underserved and underprivileged communities of India, formed in the year 2003.
3. It provides a platform to employees to meaningfully engage with disadvantaged Communities.
4. Corporate leaders and their general counsels have to give compliance issues a higher priority as they recognize the risk of increased scrutiny on the legal angle of their global operations. Companies report legal compliance, making a stronger indicator of actual working conditions.
5. The KPMG International Survey of Corporate Responsibility Reporting 2005 showed that voluntary reporting on sustainability is on the increase across all the countries.
6. Sustainability Reporting is emerging as a key vehicle to implement CSR and measure its progress in organizations. The report focuses on priorities, Allocating finance for treating CSR as an investment from which returns are expected. Reporting performance in an open and transparent way so that all can celebrate progress and identify areas for further action.
7. The companies should optimize available resources by ensuring that efforts are not duplicated and existing services are strengthened and supplemented as well.

CONCLUSION

The concept of CSR finds its roots mainly in the Western world, in particular in the United States, where individualism and arms-length relationships are predominant (Carroll, 2008). There are sufficient laws which focus on CSR towards ensuring a more balanced, harmonious and welfare oriented developmental approach. Country's public sector enterprises and some of the private sector firms have equally earned praise for their efforts in the domain of education, health and welfare oriented schemes. The researchers and Government proposes the companies should not focus on the shareholders interest but focus on community development and environmental sustainability. Companies should not only take on these responsibilities but also report the sustainability initiatives taken up by them during the year. Monitoring activities and liaising closely with implementation partners such as NGOs to ensure that initiatives really deliver the desired outcomes.

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