Attaining Sustainable Development through Corporate Social Responsibility

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ABSTRACT
CSR comes into existence with the view that growth of a company should not be from the decline of a society, at the same time, the growth of one society/group/company should not be a culmination of a fall of another. The growth of a company should not only be measured in terms of its profits but also in terms of the better and healthy change brought by it in the society. The arrival of giant corporate and enterprises and their run towards making huge amount of individual profits has not only created imbalance among the humans but also it created a higher amount of imbalance between the development and the sustainable growth. Though a lot of theoretical work has been done on the corporate social responsibility and environmental sustainability, the size of the real outcome is very much minimal and trivial. This paper is prepared with the notion of explaining the ways to attain Sustainable Development through Corporate Social Responsibility.

INTRODUCTION
Now-a-days the concept of CSR has become unified with business ethics across the world. The importance of CSR is much more important in the countries where the society is tend to become victim of perils created for the goodness of humans. We, the humans have tried so many ways to grow ourselves. Some of us have ended in wars, some in economic collapses and economic despair. Opting an incorrect way is never ever a choice. The Gandhian perspective on CSR is very well known as the Trusteeship principle, which explains that the owners of a business should act as the trustees and they need to conduct themselves in a very much responsible way, which means a
concern should concentrate on the betterment of itself and the betterment of the society where it exists. Our economy is not only unequal but also frightening our earth itself. Our economy tends to make environmental crisis, which frightens the lives and well-being of lakhs and lakhs of people and the existence of crores of other organisms in our earth. So, the best to develop ourselves is to pick up sustainable development as our option. The era has gone where the growth of a business is been measured by the profits it make, now the growth of a company is measured on the grounds of the better changes brought by it in the society as well.

1.1 Meaning of CSR and Sustainable Development

CSR means running our business in such a way that we give back to the society for the impact caused by us. It means a promise to generate plans that unite answerable practices in our day to day business and reporting the better progress made by them in the society. The International Organization for Standardization’s Guidance Standard on Social Responsibility, ISO 26000, published in 2010 defines CSR as follows,

“Social responsibility is the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that:

- Contributes to sustainable development, including the health and the welfare of society
- Takes into account the expectations of stakeholders
- Is in compliance with applicable law and consistent with international norms of behavior, and
- Is integrated throughout the organization and practiced in its relationships.”

The World Commission on Environment and Development defines Sustainable Development as “Development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. The main objective of the Sustainable development is to define feasible schemes integrating Economic, Social and Environmental aspects of human activity. These three aspects must be looked after by the societies, organizations and the individuals. The eventual aim of the Sustainable Development is to find a consistent and eternal balance between these three aspects. Sustainable development concentrates on meeting the ends of a person without grabbing it from the hands of other.

1.2 CSR in India

The presence of CSR in India can be traced even from Pre-Independence era, but earlier it was more like donating and philanthropy. CSR has been covered under law recently. According to August 13, 2012 notification, SEBI has made it clear that companies are responsible for the larger society and “adoption of responsible business practices in the interest of the social set-up and the environment are as vital as their financial and operational performance”.

Volume 03, Special Issue 02, Version III | 16th September’ 2016 290
The inclusion of Business Responsibility Report as a part of Annual report has been made mandatory by SEBI for the top 100 listed companies based on market capitalization at NSE and BSE. The companies Act 2013, made CSR mandatory for the companies having net worth of 500 crore or more or turnover of 1000 crore and above or minimum 5 crore of net profit. Companies coming under this category must spend minimum of 2% of last 3 years average net profit for CSR activities.

1.3 CSR as a Strategy for Sustainable Development

There is a shift from individual development to sustainable development across the globe; the corporate sectors must make proper use of it by indulging themselves in sustainable development through CSR. But when it comes to CSR many companies are going for some charities and stuffs of that sort which actually restricts the purview of CSR. Companies can even make use of their CSR activities as a promotion for their products. But proper and utmost care must be taken to make sure that the beneficiaries should not be victimized by their promotion. A lot of researches have shown that the CSR activities have a substantial amount of impact on the consumer buying decisions; companies must find the proper way to influence their customers instead of impressing them with discounts and offers. When a CSR activity of building a School or providing the scholarships to needy is done, it not only builds the image of the company on the minds of the customers but also it builds a society on the whole. Certain companies do their CSR activity by providing employment skills developing courses to the students and recruiting them at the end of the course. This kind of CSR helps to reduce the unemployment rate of our country. The CSR activities that focus on the health sector must be encouraged a lot. Because people in the rural areas are suffering a lot due to non-availability of proper hospitals. When a company does its CSR in the health sector it creates a lot of Rural Development apparently. The government must also encourage CSR by providing ease in getting sanction for the CSR activities but at the same time it must make sure that there should be an inclusive growth. A company which does good CSR activities builds a great reputation on its own. This kind of image of the company can be utilized to offset the risks which may ruin a company over night.

CONCLUSION

A leadership is said responsible only when it builds and sustains relationships with all the stakeholders and possess a socialized and non-personalized leaders. Now the need is to develop such a leader who is capable of relating in various ways and bring down different values into a common vision. In order to meet these ends, we need a global society and an accountable leadership which accepts and committed to diversity ethics and values, Howell and Avolio (1992).

Companies must involve themselves in value oriented actions by which they must look after People (stakeholders), Planet and the Profit. CSR does a very good job on holding and letting all People, Planet and Profit to grow together which is known as sustainable development. The image created by the companies through their CSR activities will come as a last recourse during their crisis.
REFERENCES


