



“TO STUDY THE “CORPORATE SOCIAL RESPONSIBILITY” OF HR MANAGERS WITH SPECIAL REFERENCE IN TELECOM SECTOR”

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Abstract

This report focuses on issues for HR Managers with care giving responsibilities and who wish to participate in paid work.” Successfully achieving work life balance will ultimately create a more satisfied work force that contributes to productivity and success in the work force.

The report deals with the issues of corporate social responsibility of executives and to what degree it is integrated in the social dialogues process, as well as in business practice in telecom sector

Preface

Corporate social responsibility is about creating and maintaining supportive and healthy work environment which enable employees to have balance between work and personal responsibilities and thus strengthen loyalty and productivity. Corporate social responsibility is about creating and maintaining supportive and healthy work environment which enable employees to have balance between work and personal responsibilities and thus strengthen loyalty and productivity.

Objective of the Study: -

- Whether a company can survive without practicing CSR
- Whether CSR increases motivational level of people
- Whether company’s CSR linked with building favorable public image.
- To create a conceptual management framework for corporate social responsibility.

SIGNIFICANCE OF RESEARCH

- Human resource managers have a key role to play to help a company achieve its CSR objectives. Employee involvement is a critical success factor for CSR performance. Human resource managers have the tools and the opportunity to leverage employee commitment to, and engagement in, the firm’s CSR strategy
- High performing CSR organizations foster a culture of CSR and fully integrate CSR throughout their operations, rewarding and incentivizing CSR decisions and initiatives
- Managers prefer to work for organizations aligned with their values; thus, Incorporating CSR into the employee brand can enhance recruitment and retention, particularly in tight labor markets.

- CSR can be applied to the HR toolkit, resulting in a roadmap or pathway for human resource practitioners to follow who wish to contribute to the achievement of their organization's sustainability business aspirations, thereby improving social and environmental conditions locally and globally

INTRODUCTION TO CSR

Corporate social responsibility (CSR) is also often referred to as business responsibility and an organisation's action on environmental, ethical, social and economic issues. Business doesn't exist in isolation nor is it simply a way of making money. Your employees depend on your business. Customers, suppliers and the local community are all affected by your business and what you do. Your products, and the way you make them, also have an impact on the environment.

Corporate social responsibility (CSR) is about understanding your business' impact on the wider world and considering how you can use this impact in a positive way. CSR can also be good for your bottom line. It means taking a responsible attitude, going beyond the minimum legal requirements and following straightforward principles that apply whatever the size of your business.

CSR is concerned with treating the stakeholders of the firm ethically or in a responsible manner. 'Ethically or responsible' means treating stakeholders in a manner deemed acceptable in civilized societies. Social includes economic responsibility. Stakeholders exist both within a firm and outside. The natural environment is a stakeholder. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation.

Evolution of Corporate Social Responsibility

In the increasingly conscience-focused marketplaces of the 21st century, the demand for more ethical business processes and actions (known as ethnicism) is increasing. Simultaneously, pressure is applied on industry to improve business ethics through new public initiatives and laws (e.g. higher UK road tax for higher-emission vehicles). Business ethics can be both a normative and a descriptive discipline. As a corporate practice and a career specialization, the field is primarily normative. In academia, descriptive approaches are also taken. The range and quantity of business ethical issues reflects the degree to which business is perceived to be at odds with non-economic social values. Historically, interest in business ethics accelerated dramatically during the 1980s and 1990s, both within major corporations and within academia. For example, today most major corporate websites lay emphasis on commitment to promoting non-economic social values under a variety of headings (e.g. ethics codes, social responsibility charters). In some cases, corporations have re-branded their core values in the light of business ethical considerations (e.g. BP's "beyond petroleum" environmental tilt). The majority of these CSR projects are established in Africa. A more common approach of CSR is through the giving of aid to local organizations and impoverished communities in developing countries. Some organizations do not like this approach as it does not help build on the skills of the local people, whereas community-based development generally leads to more sustainable development. The term CSR came in to common use in the early 1970s, after many multinational corporations formed, although it was seldom abbreviated. The term stakeholders, meaning those on whom an organization's activities have an impact, was used to describe corporate owners beyond shareholders as a result of an influential book by R Freeman in 1984.

CSR is an evolution in the approach towards sustainable development: while the 1992 Rio Earth Summit focused on environmental management, the 2002 World Summit on Sustainable Development (WSSD) focused on a broader set of issues, including poverty reduction and social development. Since 2000 the CSR concept has pushed further and further up the

corporate agenda as business strives to act responsibly towards people, planet and profit (the so-called '3Ps'). Some driving forces pushing CSR up the corporate agenda are:

Informed investors recognize that the business risk (both internal and external) for companies that successfully manage their social and environmental impact is lower than the business average;

WHAT IS CSR?

"Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large"

The same report gave some evidence of the different perceptions of what this should mean from a number of different societies across the world. Definitions as different as

"CSR is about capacity building for sustainable livelihoods. It respects cultural differences and finds the business opportunities in building the skills of employees, the community and the government" from Ghana, through to **"CSR is about business giving back to society"** from the Phillipines.

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CSR therefore means the ethical behavior of business towards its constituencies or stakeholders. Nevertheless, there are a wide variety of concepts and definitions associated with the term "corporate social responsibility", but no general agreement of terms. To provide some guidance to readers in this area I have included a glossary of terms which provides a number of definitions. Alert readers will notice, however, a fluidity of concepts that really requires more extensive research and consideration than has been undertaken so far. Without a common language, we do not really know whether our dialogue with companies is being heard and interpreted in a consistent way.

Consequent to increasing globalization, greater environmental and social awareness, and more efficient communication, the concept of companies' responsibilities beyond the purely legal or profit-related has gained new impetus. In order to succeed, business now has to be seen to be **acting responsibly towards people, planet and profit** (the so-called '3Ps') sometimes also known as the triple-bottom line. Indian companies are expected to discharge their stakeholder responsibilities and societal obligations, along with their shareholder-wealth maximization goal. Corporate Social Responsibility (CSR) has been defined by the European Commission as the integration by companies of social and environmental concerns in their business operations and in the interaction with their stakeholders on a voluntary basis. CSR is about managing companies in a socially responsible manner. Business and society are interdependent. The well being of one depends on the other. Companies engaged in CSR are reporting benefits to their reputation and their bottom line. CSR is a voluntary action

that business can take, over and above compliance with minimum legal requirements, to address both its own competitive interests and the interests of wider society.

CSR is today a strategically important and challenging development for European business and policy makers taking root in a broad variety of industrial sectors. Environment, safety and health at work are very much an integral part of the CSR concept, companies recognize that they cannot be good externally, while having a poor social performance internally. The perspective taken is that for an organization (or a community) to be sustainable (a long run

perspective) it must be financially secure (as evidenced through such measures as profitability); it must minimize (or ideally eliminate) its negative environmental impacts; and, it must act in conformity with societal expectations. These three factors are obviously highly inter-related. Many companies now report regularly on the subject producing Sustainability and/or CSR (Corporate Social Responsibility) reports whose content is increasingly scrutinized by investors and financial institutions.

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES IN TELECOMMUNICATION INDUSTRY:

The concept of Corporate Social Responsibility (CSR) has emanated from the term social responsibility of a business. The functioning of a business is largely influenced by a lot of internal and external factors known as business environment. A business operates in a society, as such, it has some inescapable obligations to the society. Those inescapable obligations are known as social responsibility of a business. When we are talking about CSR it is nothing but a form of self-regulation observed by the corporate with an objective to pay their tribute to the stakeholders and society at large. Theoretical and conceptual aspects of CSR have mushroomed up comparatively faster than their implementation in practical fields. Nowadays it has been elevated to the status of a good advertisement and indicator of corporate citizenship.

There has been a growing need among all sectors including telecom sector to include a substantial portion in its websites which may be in the name of CSR activities or Mission/Vision Statements or Corporate Initiatives etc. In the era of globalization, the concepts of sustainable development and corporate social responsibility are increasingly attracting public attention and scrutiny

As such, in reality, CSR implies engagement of corporate in some activities beyond what it is legally bound to do. In the present article the Indian Telecom Sector has been selected for case study and at the far end of this article some suggestions have been given that need to be taken care of by the Central Government and the people by whom the CSR is implemented in different organizations.

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According to a global study by CSR network, a UK based CSR consultancy, released in 2004, the top10 benefits of engaging in Corporate Social Responsibility are:

- Increased profit
- Access to capital
- Reduced operating costs/increased operational efficiency
- Enhanced brand image and reputation
- Increased sales and customer loyalty
- Increased productivity and quality
- Increased ability to attract and retain employees
- Potentially, reduced regulatory oversight
- Reducing risk, and increased risk

Organizations, like individuals, depend for their survival, sustenance and growth on the support and goodwill of the communities of which they are an integral part, and must pay back this generosity in every way they can...

Being socially responsible is not an occasional act of charity or that one-time token financial contribution to the local school, hospital or environmental NGO. It is an ongoing year-round commitment, which is integrated into the very core of our business objectives and strategy.

Because they believe that there is no contradiction between doing well and doing right. Indeed, doing right is a necessary condition for doing well.

CSR Activities in Relience Sector

Specific community requirements

- The company has constructed an Anti-Sea Erosion Bund with a length of 700 meters at Diwa Dandi. The bund has effectively stopped erosion of soil and has saved the livelihood of the villagers. The total expenditure on the construction of the bund amounted to Rs. 75 lacs.



- Construction of Water Storage check dams underground water conservation programme at Saravali / Savata / Ashagad village around Dahanu. With these check dams more than 12,000 nearby villagers are benefited



- The Fly Ash Brick making project was instituted in 1995 and provides employment to many tribal youths.



- Mobile dispensary van for local tribals for serving community in far lung areas under Vanvasi Kalyan Kendra, Talasari



Educational Initiatives

In keeping with the corporate belief that education and training are primary enablers for the society, the Dahanu TPS has actively contributed towards making quality education available in the vicinity of the company's operations.

Specific Educational initiatives undertaken by the company include:

- Establishing DTPS Junior College of Science in the year 1998. and DTPS

junior college of Arts in 2004



- The building and handing over of 8 Municipality schools to the Zilla Parishad at Dahanu



- The construction of an Audiometric Room & Computer lab for Dumb and Deaf school children.



- An annual program that has been in place since 1995, under school children are given Stationary & Educational material free of cost.
- The Annual Best Teacher Award in association with the Rotary Club. This program has been in place since 1995 and over this period 50 teachers have been conferred the Award.
- Institution of the Merit Scholarship for Eng. and Medical Students since 1998 in association with Rotary Club. Eight students have been awarded this scholarship to date.
- A Scholarship for tribal students from the Industrial Training Institute, Vanagaon, was instituted in 1990, for promoting enrollment in vocational courses.
- An ongoing program to distribute note books at subsidized rates. This initiative is undertaken by the company in association with the Rotary club and has been in place since 1995.

Health Initiatives

Community health is one of the prime areas of the company's social concerns and the company is an active contributor to community health programs.

- An annual Health Check Up Camp has been instituted by the company and a local NGO for the benefit of the rural community in the vicinity of the plant.
- The company sponsors an annual Eye Check Up and Cataract Operation Camp, in association with the Lions Club.
- Since 1996, the company has been an active participant in the Annual Pulse Polio Program.
- To ensure supply of clean and fresh drinking water, the company has undertaken construction & maintenance of 70 Tube Wells in 30 villages.

This has brought welcome relief to the villagers who previously had to walk long distances to get fresh drinking water.



Total Annual Spending on Education, Health and Community Development

Year	Education Expenses (in Rs.)	Health Expenses (in Rs.)	Community Expenses (in Rs.)	Total (Rs.)
2000	11,24,469/-	55,300/-	30,39,498/-	42,19,267/-
2001	3,03,028/-	1,36,646/-	3,16,520/-	7,56,194/-
2002	5,42,608/-	1,22,700/-	75,95,638/-	82,60,946/-
2003	2,74,000/-	5,75,000/-	5,87,767/-	14,67,767/-
2004	1,47,000/-	1,59,397/-	26,91,457/-	29,97,854/-
2005	5,05,000/-	45,724/-	25,37,520/-	30,88,244/-

So far company has spent more than 3 crores of rupees as a part of CSR activities

CSR Activities of BSNL

BSNL launches 'BSNL 3G Rajdhani Express'

BSNL (Bharat Sanchar Nigam Limited) is rolling out 4G network and related services across India. To publicize and create awareness at mass level and to strengthen its brand presence 'BSNL 3G branded Rajdhani Trains' are being launched in association with Indian Railways and Peacock Media's will take care for up-gradation, cleaning and maintenance of Rajdhani trains, which will also add on to CSR activity and to establish its BSNL3G brand in the mindset of people. BSNL has done a full train external vinyl wrap for the first time in India including internal media for captive visibility. This is a massive campaign in terms of visual area as well, since as much as 25,000 square feet of BSNL advertisement creative would be wrapped onto Rajdhani Express with a special quality vinyl approved by RDSO. The medium deliveries are 85,000 per day eyeballs assured through the external vinyl wrap, while internal medias are consumed by approx. 1,500 passengers per day. There are approx. 350 Panels, 200 Table Tops and 400 Brochure Holders inside one train, along with audio jingles, announcements, contest and activation by in-train promoters which would create a great impact and engaging communication for the brand BSNL and its services. The CSR imagery of BSNL would also gain strength because of the upgraded services experienced by the travelers, including cleaning and maintenance which are viewed to be bought by the BSNL 3G brand. What makes the medium unique is its high and impactful reach with long duration consumption in a receptive environment, with complete exclusivity for the Brand BSNL. This 3-month campaign is expected to attract one and half crore eyeballs negotiating 34 locations across eleven States. Routes being covered by this Rajdhani train are Delhi-Chennai, Delhi-Bangalore & Delhi Trivandrum. Another Rajdhani Train covering Delhi- Sealdah is also scheduled for launch shortly. BSNL's communication on this Rajdhani train is focused on 3G services and entices the consumer to 'get ready for a faster life' by eye catchy visuals on fast

gaming, music download, online movie streaming, video calling, live TV and high-speed internet services on the move.

BSNL donates computer to a government school

The Bharat Sanchar Nigam Limited (BSNL) donated a computer with free unlimited broadband usage for the students of the Government Special School for Physically Challenged at Villapuram in the city. The computer was presented to the school under the corporate social responsibility activities of the BSNL for which Madurai had been allotted Rs. 1 lakh for this year, its General Manager V. K. Sanjeevi said. Apart from a personal computer, the BSNL has provided table, chair, modem and a telephone with incoming facility. One more educational institution would get a similar facility, he said. District Rehabilitation Officer Kanagaraj was present.

Quality Service at affordable prices

Bharat Sanchar Nigam Limited (BSNL) is committed to provide quality Telecom Services at affordable price to the citizens of the remotest part of India, since it is of utmost importance for achievement of the country's social and economic goals. BSNL is the only telecommunication service provider offering rural telephony as part of its social responsibility. Bharat Sanchar Nigam Limited does not have any direct subsidy schemes/programmes for public. However, BSNL is the only service provider offering rural telephony part of its social responsibility. BSNL plans to provide broadband to 20,000 villages that are already connected through optical fiber. BSNL, with support from government, plans to provide broadband to all gram panchayats, secondary and higher secondary schools and public health care centers by end of 2010. BSNL is offering special tariffs for rural subscribers by providing lower rental and higher free calls as compared to urban area subscribers.

Employees' Welfare activity

BSNL focuses its CSR activities primarily in the field of employees' welfare activities, assistance during natural calamities and offering rural broadband plans. BSNL implements welfare programs and awards such as Bharat Sanchar Sarathy and Sanchar Seva Padak. It also offers its employees corporate group Life Insurance Policy. BSNL, with government support, plans to provide broadband to all gram panchayats, secondary and higher secondary schools and public health care centers by the end of 2007. BSNL is the only service provider offering rural telephony as part of its social responsibility. It received the 'Golden Peacock National Award 2005 for its contribution to the field of CSR, in connecting India's remote areas and adhering to best labor practices. The company has an ISO 9000 certified Telecom Training Institute.

CSR Activities of Airtel

The emerging recognition of the role of the environment and the potential as a tipping point

For Airtel, 5,000 sites are using a green-shelter COVER ARTICLE The Management Accountant |December 2010 977 system that provides cooling for four hours in the Base Transceiver Station. This system saves cost and reduces pollution. A question from the research team is around the use of ISO14001 systems to help take these initiatives further.

The stakeholder perspective

According to the company, "Corporate Social Responsibility is a way of life at Bharti. "Airtel has been looking after the needs and interest of its stakeholders, including employees, consumers, and communities, along with the environment. Its mission recognizes stakeholders: "Airtel is strongly committed to being a responsible corporate citizen.

Providing a platform to leverage the potential of the citizens of tomorrow and concern for the environment are our top priorities.

Service too underprivileged

Bharti Airtel founded the Bharti Foundation in 2000, with the vision: “To help underprivileged children and young people of our country realize their potential.” Through the foundation, several initiatives were started such as the Bharti Computer Centers, which have provided computer learning to more than 130,000 children in five states; the Bharti Library Programme, aimed to encourage reading habits of children; and the Mid-day Meal Programme, in which Bharti Foundation has supported Akshaya Para in providing meals to 43,000 children per day in 292 government schools. For the coming years, the Foundation has plans to start a large number of primary schools in rural areas across the country. It will also provide teachers’ training facilities.

Future trends in CSR for HR departments

CSR is here to stay, how and where it is displayed with business will depend on the board and other external factors. However, for CSR not to be merely an add on but to be actually embedded as part of the business - reflecting the way it does business, its culture and values - then HR will need to play its part. HR departments may have a natural ally in their financial directors who are beginning to recognize staff as an area of intangible risk. FDs should be prepared to invest to manage this risk and create an employer of choice which delivers benefits to the bottom line in a number of ways from improved staff retention to improved work performance through more motivated staff.

RESEARCH METHODOLOGY: -

- Type of Research : Descriptive Research
- Data Collection method : Questionnaire
- Sampling method : Judgmental Sampling
- Sample size : 100

Major findings:

- It is observed that a lot of initiatives have been taken by both the public sector and private sector under study but the private sector seems to play pivotal role in the arena of Corporate Social Responsibility (CSR)
- . It is also observed that in the annual reports some activities has been shown under the heading CSR Activity which should have been regarded as activities of ordinary course of business
- It is also observed that the activities undertaken in the name of CSR do not tally with the mission and vision statements of the respective sectors

Suggestions:

- The Concerned Ministry should issue necessary and clear-cut guidelines as to what activities constitute the CSR activities to bring uniformity in the CSR activities
- Government should make it mandatory for each sector to spend a certain portion of its distributable profits for CSR activities.
- It should also be made compulsory for each sector to disclose the amount expended for CSR activities in each financial year in its financial statements. Necessary amendment may be made in the Companies Act in this regard.

Limitations:

- The study was restricted to telecom sector only.
- Personal interviews are not allowed.
- Little provision for free expression of unanticipated responses.

- May be difficult to construct.
 - It has limited effectiveness in getting at the causes of problems and possible solutions.
- It is also observed that the activities undertaken in the name of CSR do not tally with the mission and vision statements of the respective sectors

Conclusion

. Successful programmes on social responsibility rely heavily on enlightened people management practices. In this context HR department is assumed to be the coordinator of CSR activities in getting the employment relationship right which is a precondition for establishing effective relationships with external stakeholders and thus can orient the employees and the organization towards a socially responsible character. There is also an increasing trend in the corporate sector which has started leveraging upon employees and their management for exhibiting their commitment towards CSR HR is a key organizational leader and can take the lead or partner with other executives to work cross-functionally to integrate CSR objectives into how business gets conducted. HR practitioners can act as translators of the organization's CSR commitment vertically and horizontally across departments.

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ANNEXURE: QUESTIONNAIRE

NAME.....

ADDRESS.....

E. MAIL ID.....

DESIGNATION.....

1) Do you know about corporate social responsibility (CSR)?

a) Yes

b) No

2) Is your company involved in CSR?

a) Yes

b) No

3) Do you agree that company can survive without practicing CSR?

a) Agree

b) disagree

4) Do you agree that company's CSR is linked with financial benefits?

Agree

b) Disagree

5) Do you agree that company's CSR linked with building favorable public image?

a) agree

b) disagree

6) Does your company is collaborated with or support any NGO?

a) Yes

b) no

7) Do you agree that csr increases the motivational level of employees?

a) Agree

b) disagree

8) Do you agree that CSR protects shareholder's interests?

a) Agree

b) disagree

9) According to you what is the main objective of CSR?

a) Competitive advantage

b) social concern

c) Both a & b

d) others

10) What are the CSR benefits contributed by your organization?

a)

b)

c).....

d).....

