

BUSINESS SUSTAINABILITY THROUGH CORPORATE SOCIAL RESPONSIBILITY

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Abstract—Around the globe today, Corporations enjoys the position as power centers. In revenues, some are much bigger than several countries. So, it's clear that the business has a great impact on economy and social systems. This is the time that corporate want to think back that what they want give back and what is expected from them. To create a positive impact about the company by the society is done through the vertical Corporate Social Responsibility, which is the best way. Corporate biggies have proven that they can sustain and differentiate their products and take a competitive advantage by being responsible towards the society. Also, it's been proved that they get good returns through Corporate Social Responsibilities. Corporate wants to focus CSR through three cardinals and they are business impact, transparency and engagement. CSR is not a charity it's a part of business by practice and by regulation. So, for better business every company should have strategy for CSR and it should be of the focus that what the society needs not that what we have will be served. If we serve what we have to the society the real purpose of CSR will never be attained and it leads to disaster. CSR should be a strategic approach not an ideological approach. Business house should strictly follow Corporate Social Reporting which is a method of communication to the society about the company's desired action or the action actually performed by it. The reporting should focus on triple P's i.e. profit, people and planet. In this paper, we shall analyze the strategic business sustainability through CSR and how major industrial giants CSR practices and its impact in the business model.

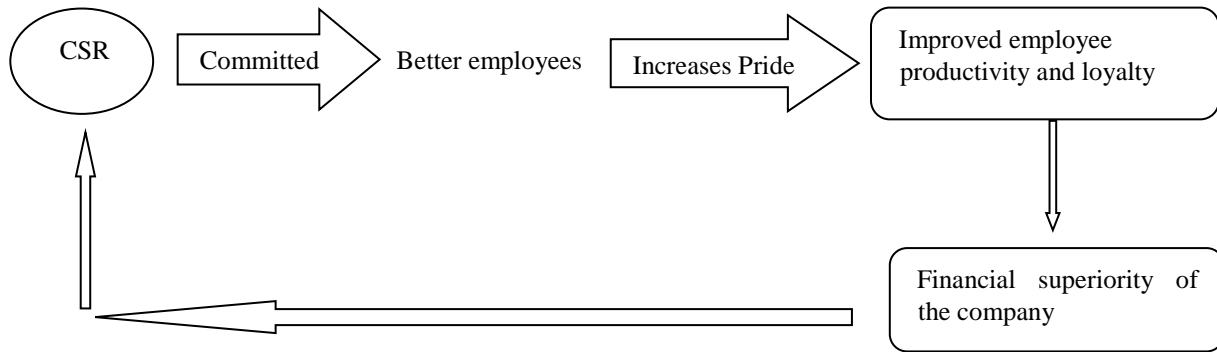
Keywords—Business House, Corporate, Corporate Social Responsibility, Economy, Social Systems

INTRODUCTION

Need of Corporate Social Responsibility in Business

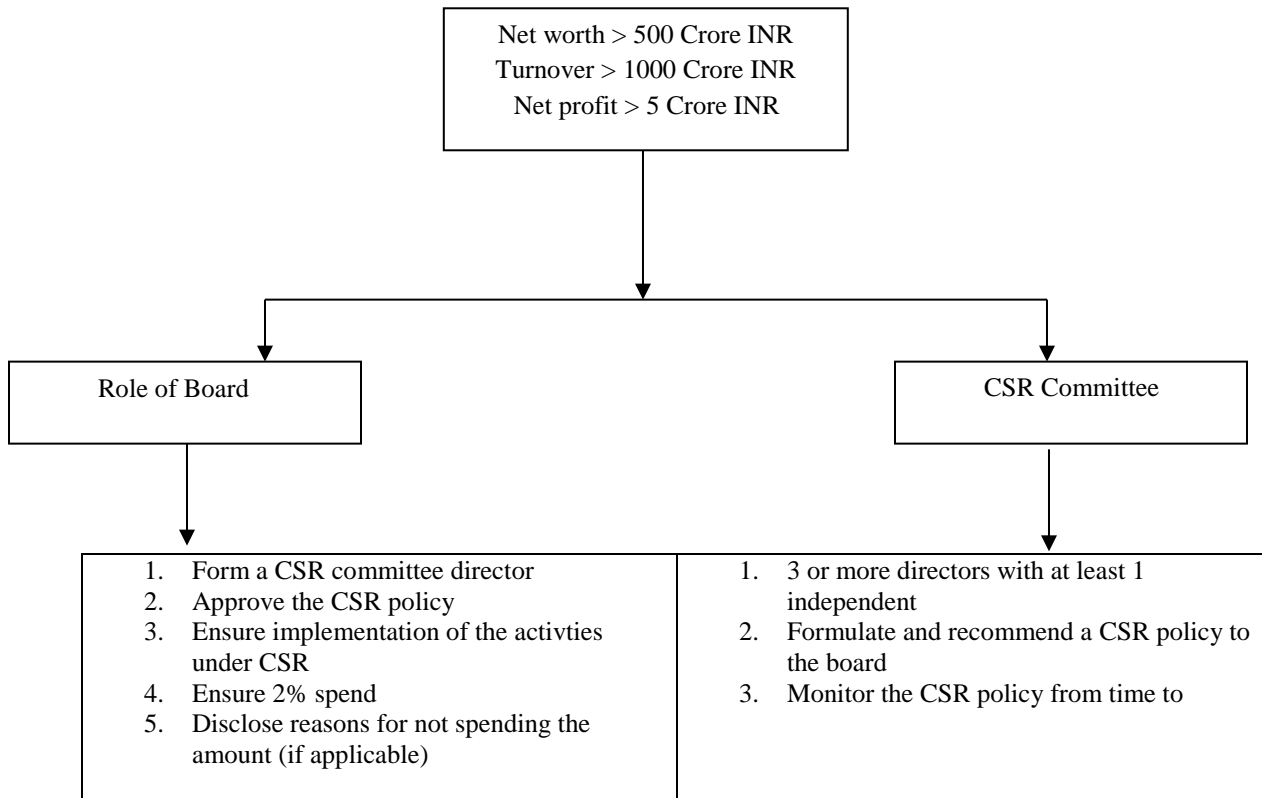
- Well-articulated CSR promotes social value of the company and also reduces operating cost and supports a balanced relationship with all stakeholders.
- Each company should have their own model of CSR and should play a lead role in it.
- CSR increases the profile of the company among the society.
- CSR reduces the marketing cost of the company and builds up the brand image of the company. Fundamental motivations for CSR, asserting that corporate programs to fund social and environmental programs are nothing more than public relations campaigns to boost their brand reputations.
- The most researched and proven financial of effective strategic CSR can be found in the area of human resource and talent acquisition.
- CSR increases the relationship among the consumer rather than mere transactions.
- CSR initiates consumer retention to a great extent.
- CSR will make the company as “employer by choice”

Socially responsible will fetch competitive advantage, high productivity, better stakeholder relationships.



MAJOR CSR INITIATIVES IN INDIA AND THE COMPANIES ACT, 2013

India has a rich tradition in CSR practice. Indian companies though much before western companies in CSR. The CSR provisions within the Act is applicable to companies with an annual turnover of 1,000 crore INR and more, or a net worth of 500 crore INR and more, or a net profit of five crore INR and more. The new rules, which will be applicable from the fiscal year 2014-15 onwards, also require companies to set-up a CSR committee consisting of their board members, including at least one independent director. The Act encourages companies to spend at least 2% of their average net profit in the previous three years on CSR activities.



Wipro: Focus area of Wipro cares is on taking educational and health care initiatives for migrated communities and environmental issues and disaster rehabilitation.

Infosys: Company has special program for unprivileged children by which company teaches them various skills

TATA: TATA's CSR encompassed of healthcare services, drinking water, rain water harvesting, tribal development, relief and rehabilitation endeavours, income and employment generation, women's health and education, awareness programmes on the ill-effects of drugs, alcohol and HIV/AIDS, and patronage to sports and cultural activities. The CSR programme is managed by three organizations — Tata Steel Rural Development Society (TSRDS), Tata Steel Family Initiatives Foundation (TSFIF) and the Tribal Culture Society (TCS).

Reliance: RIL's contribution to the community are in areas of health, education, infrastructure development (drinking water, improving village infrastructure, construction of schools etc.), environment (effluent treatment, tree plantation, treatment of hazardous waste), relief and assistance in the event of a natural disaster, and miscellaneous activities such as contribution to other social development organizations etc. RIL's CSR teams across its manufacturing divisions interact with the neighbouring community on regular basis.

Hindustan Unilever: HUL focus their CSR in Health & Nutrition and Empowerment of Women, our economic agenda will be driven towards Enhancing Livelihoods and the environmental agenda will focus on Water Conservation and cutting Green House Gases.

Larsen & Toubro: L&T addresses the needs of communities residing in the vicinity of its facilities, taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development.

BUSINESS SUSTAINABILITY

Sustainability is a business strategy that drives long-term corporate growth and profitability by mandating the inclusion of environmental and social issues in the business model. Unlike corporate social responsibility, which retroactively addresses issues, sustainability implies a forward trajectory. The principle of sustainability has been around at least since the advent of the agrarian society. Forward-thinking farmers, fishermen and loggers long have known that their livelihood relies on a renewable resource. It's in their best interest to protect and cultivate that resource responsibly. Perhaps the most quoted definition of sustainability comes from the United Nations' Brundtland Commission in 1987: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

HOW BUSINESS SUSTAINABILITY IS ATTAINED THROUGH CSR

Today over sixty percent of CEO does believe that the perception of CSR had considerably grown high and it gives the corporate a sustainable growth. Proper CSR and governance will always lead to better business and goodwill. This CSR strategy will help the company to retain the consumers and they gain win loyalty. Today legal regulations also put forward mandatory rules on CSR activities which lead to better governance.

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