

# Emergence of the Nexus of the Corporate and Society through the Corporate Responsibility

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## ABSTRACT

The government of every country has intention to make the life easier for its people and always try to implement policies to upgrade the life and living style. After the introduction of the companies' act 2013, that declares that it has been become mandatory to every organization to spend 2% of their profit on the social welfare. The government's attempt to restructured the social value definition help to bring the corporate and government more closer with a common aim to upgrade the society. For the study of the corporate social responsibility (CSR), the news published in the leading news papers at local and at India level have been analysis from the past 6 month. The number of news paper counted at 5 to 10, out of these some papers are regional and some paper at national level. The 6 month period varied from the 1 January 2018 to December, 2018. The content configuration analysis (CCA) method have been implemented to analysis of the news published in the news paper in order to find out the collaborative step taken by two stake holder in common purpose i.e. two stake holders are government and business sector. The analysis is useful to find out the outcome and impact of the implementation of the companies act 2013. The present study is also suggestive in nature to give suggestions about the future policies and practices to make CR more fruitful for the citizen of the India.

## Keywords

Corporate Social Responsibility, Companies Act 2013 Government, India, Newspaper, Social Welfare.

Article Received: 10 August 2020, Revised: 25 October 2020, Accepted: 18 November 2020

## Introduction

Corporate social responsibility (CSR) is generally considered as the responsibility of the corporate houses towards the citizen of the nation in which they are operationalised. In general term, CSR is associated with the welfare schemes and practices [1]. The basic philosophy of the CSR is to parting away the corporate sector from only to earn the profit rather invest some part of the profit into charity works also in order to facilitate the deprived section of the nation by enriched them as a mean of education, sustainable but yet affordable house schemes, construction of the roads, adopt the village for their upliftment, help the government in eradication of the disease, provide the technology to marginalized people, help the government to achieve the sustainable development goal, protect the environment in collaboration with the government etc.[2].

CSR in more boarder term is a kind of the self regulation of the corporate sector that target to impart happiness in peoples life through the societal aim of the philanthropic activities and motivate the other people to engage or support such practices or even promote the ethical practices in nearby area at the place of the plants so that more and more people gets benefit of these initiatives. There was the time when the corporate social responsibility is policy of the corporate itself but now, most of the nation have implement the law to full fill the responsibilities towards social cause by the corporate sector [3]. Earlier, not all the corporate house was engaged into the activities of the social responsibilities as it was the volunteer decision of each corporate house but after having the law regarding the CR, almost all the corporate house started to invest their resources in social causes and doing good to growth of the

nation and its people by working at root causes and developing the peoples with themselves [4].



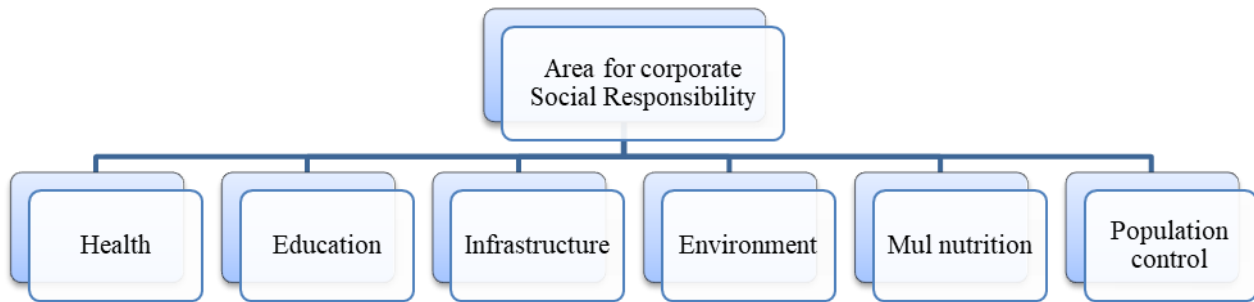
Fig. 1: Attribute of the Social Corporate responsibility

In modern time, As the dynamics of the growth have been changed drastically and every thing is growing and developing so fast that all the segment of the society or even some other domain of the public life have been leaving behind. Therefore, with a good intention and holistic approach, Government of almost every country have decided to brought a bill that will motivate as well as promote the corporate sector to come forward for the social upliftment on various front as the health, education, infrastructure, environment, small domestic industries, maternity and fatality rate, mul nustritions etc[4]. The CSR has continuously gaining the importance and many organisation and non governmental organisation (NGO) have been involved in to deliveartions to discusses the possibilities and find the new ways out of the discussion to locate the new areas and guide the corporate in order to

involve more with the government. Fig. 1 has been showing the attribute of the corporate social responsibility.

CSR has got now a new identity importance among the corporate sector as well as societal point of view. Many similar terms have come into existence that are very similar to the CSR and having the same intention as the SCR, these related terms are known as the business ethics, corporate citizenship and stakeholder management. After start of the era of the industrialization and beginning of the foreign direct investment in India, the growth rate of the Indian businesses and dependent sector have been developed at a fast pace and they are able to earn more profit as well as expand the

business in all over world [5]. But now, it is the time to pay interest to the social responsibility from the corporate houses and making sure that enterprises not only responsible to earn profit but also responsible for all the stakeholders as employees, customers, suppliers as well as society. Thus, it is clear that CSR is a way to motivate the corporate sectors to work for the development of the country but at the same time invest the resources for improving the quality of the life of the employee and local community as well [6]. The Fig. 2 has been given a reference of the identified area to be addressed through the corporate social responsibility.



**Fig. 2:** Area Needs To Address Through Corporate Social Responsibility

There are many fields where a corporate sector may be engaged to uplift the quality of the people but still some of the broad categories are as

**Environmental effort:** The environment is the major concern for the government all over the world. The environment relates to the human kind very closely and one of the main and primary factors for the survival of the human kind for long run. This is the duty of the corporate house to invest in the techniques which help to reduce the pollution which is detrimental to the environment [4].

**Philanthropy:** Every corporate house needs to treat their employees with ethics and follow the ethical practices in their organization in affairs of the employees. Apart from this, they must invest to upgrade the living of the local and other social and public problems [6].

**Ethical labor practices:** A good policy must be implemented in workshops and factories in order to treat the worker in a humane way and feel them respected for their work so that more and more people are willing to get the work and directly and indirectly become a reason to contribute in the growth and development of the nation [7].

**Volunteering:** This is the whole sole willingness of the corporate house to contribute in the society without any external driving force. In fact, this is the most impactful step towards social responsibility [8].

In Indian context, obligation towards social responsibility is not new, even in ancient times, there are many proofs found in old texts, that the practices of helping others were prominent in social rituals. People were very keen to do for underprivileged people. The ancient literatures have been founded with the lot of evidence of such incidents where wealthy people donated schools, temples, public utilities, hospitals and higher study institutes. In India, the business community has started realizing that Business can't succeed in isolation without the

progress of the society towards sustainable growth. CSR initiatives are much necessary in the country like India

where there is a wide gap between the people with respect to income & standard of life [9].

### Research Question

The present research paper has been written with the objective to analyze the impact of CSR in public life as well as find the initiatives taken by the corporate house for the society in collaboration with the government as well as initiatives taken by all alone. The following questions have been framed while conducting this research and writing this manuscript:

Q 1: What is the CSR?

Q 2: What are the government initiatives to promote the corporate house for the CSR?

Q 3: What is the impact of the companies' act 2013 on the initiative taken by the corporate houses?

Q 4: How does the CSR policy affect the people's life?

Q 5: What are the gaps that exist in people's actual living style and targeted living style as set by the government.

Q 6: In what way, CSR is helpful to modify the working environment at work place?

### Review Of Literature

Dr. Simran Kaur et al. explained in a paper published in 2017 that CSR is an instrument through which a corporate house takes care of its stakeholders. In fact, CSR has grown a lot as it was taken as a synonym of philanthropy as well as charity. Now, CSR is taken as the responsibility and obligation towards the people and society. Sometimes the initiatives of the CSR are taken with the collaborative step

with the government and sometime corporate house takes it as voluntarily. The main aim of this paper is analysis the reason for the growth of the CSR initiative and the way to implement the initiative in order to get benefit to the maximum people. The intended way of doing business for any corporate house is to create an eco system for the economical, social as well as the environment coordination in order to achieve the overall development [10].

Jo, Hoje et al. explained that the intellectual association between the corporate governance with the CSR. The author conducts a deep analysis to find out the casual effect of implementing the policies of the CSR in public domain and also examine the benefit of implementing the policies by the corporate house. The paper tells about the factors which are not taking into consideration and eventually these factors affect the corporate governance in bad sense. Therefore, it is necessary to find out the factors which are needed to implement the CSR policies. The one more area of the examiner of the paper is the area of relation between the CSR and corporate financial performance (CFP) engagement. The research revealed that the investment in CSR have a positive effect on the CFP. The concluding note of this paper is that CSR is ultimately come out as a instrument to get benefit to both organization and people [7].

McCarthy, Scott et al. explained in his paper published in 2017 that a confidence level plays between the chief executive officer (CEO) and CSR. The main reason behind the confidence level is that a confidant CEO is more capability to take risk and also having the intuition power to calculate the risk factor associated in his decision. The one more reason is that Confidence levels of the CEO helps him to invest more in the CSR, his governance tactics allows him to make good collaboration with other firm as well as the government to make the policies and practices for CSR. This eventually helps organization to make their foot prints in wider landscape and get know by more population. In fact, the more involvement in the CSR activities have pave the way to more revenue by increasing customer base. Sometime, many organization promote their product by saying that is an individual avail his services than 1% of the total coat of the services will go to Social responsibility [11].

## Methodology

### Design:

This research is focused on an exploratory study of India's popular print media. Although the value of the media as a reference source is well-established, it is believed that the position of the press and how it contributes to public discourse is undeveloped. Max Weber proposed at the start of the nineteenth century that studying the media allowed the "cultural temperature" of a culture to be monitored. The mass media is assumed to be a weapon that insiders use to ferment, steer, and control public opinion. A third role, and the one preferred here, implies that public opinion forms and influences the media. As such, the media at large and newspapers in particular play a significant role in influencing public opinion, and public discourse is at least partly expressed in the discourse of the media. While the precise flow of information cannot be established, or where

power starts or ends cannot be disentangled, it is clear that the media is a significant marker of public discourse. Media channels in general, and newspapers in particular, are an excellent foundation for analyzing public views of the role of business in India from a research perspective.

### Sample

Our data is composed of Indian newspaper stories from the five most commonly read English language newspapers: Times of India (TOI), Hindustan Times (HT), The Hindu (TH), Mumbai Mirror (MM) and The Telegraph (TT). (Indian Readership Survey, 2018; Audit Bureau of Circulations, 2018). Two of India's most famous Hindi language newspapers, Dainik Bhaskar and Dainik Jagran, were also included. Newspaper in one of the seven newspapers; an clear reference to CR or corporate social responsibility in the headline or body of the article; and a publication date between 1 January and 31 December 2018 were the selection criteria for including newspaper articles in our study.

### Instrument:

The study used a qualitative type of research related to qualitative data analysis and qualitative methods, Content Configuration Analysis. It is a systematic method of study, including text and visual data, for all non-numeric data. In qualitative analysis, CCA is extremely versatile and can be modified to suit most designs. And has been used in psychology, sociology, education, business administration, public health and sustainability, environmental studies, and urban studies.

### Data Collection:

These requirements yielded 745 articles for English-language newspapers: 207 from TOI, 82 from HT, 233 from TH, 20 from MM and 145 from TT. A sample of just over 50 percent, i.e. 350 papers, was selected for review by using a random number generator. We included all articles that met our selection criteria with regard to the Hindi-language newspapers. We used CCA to perform a three-step inductive study to analyses the aspects of CR perceptions and how they are justified in media discourse.

### Data analysis:

For our study, we chose an experimental research since we are interested in how publications make sense of CR rather than whether the finer conceptual points of CR strategies as covered in the scholarly papers are adequately portrayed. Therefore, we discussed the inclusiveness and exclusiveness of CR expectations, specified opportunities for business capacities to be harnessed by policy and Indian society, and the implications for a partnership between business and society. To define both overt and implied obligations associated with the business sector, we first performed an exploratory study. We built a typology of CR standards from this list of responsibilities. Our second analytical phase consisted of a quasi-causal analysis to sort and identify the spectrum of justifications associated with CR standards in

order to systematize why companies have these duties. Finally, to analyses how the spectrum of roles and justifications are correlated with various stakeholders, we performed a stakeholder study.

### Results And Discussion

The most striking initial finding is that large companies are required to perform an extensive range of tasks, according to the media discourse in 2015, that are essentially unrelated to their business activities. CR standards associated with the market practices of businesses (e.g. protection of goods and workplaces, accountability) are, on the other hand, a minority, an initial and clear predictor of how government uses CR for growth purposes. The majority of CR expectations listed in media concern social growth, in particular maintenance or growth in rural and urban areas of basic infrastructure and services. In contributed to construction as well as maintenance of generic facilities terms, CR demands concentrate on: particular construction projects related to the construction and maintenance of roads and essential transport; infrastructure and services related to electricity, water and sanitation; and the building and management of hospitals and health services, as well as schools and education programs. We briefly discuss two of these fields, namely, health and education, to highlight the

complexity of CR standards fixed in the public sphere Table 1 depicts the responsibilities of business sectors.

**Table 1:** Responsibilities of the Business Sector According To Indian Newspapers

| Basic Infrastructure     | Emergency Response | Advanced Infrastructure |
|--------------------------|--------------------|-------------------------|
| Health                   | Floods             | Leisure                 |
| Education                | Droughts           | Digital Infrastructure  |
| water                    |                    |                         |
| Sanitation               |                    |                         |
| Energy                   |                    |                         |
| Roads and transportation |                    |                         |

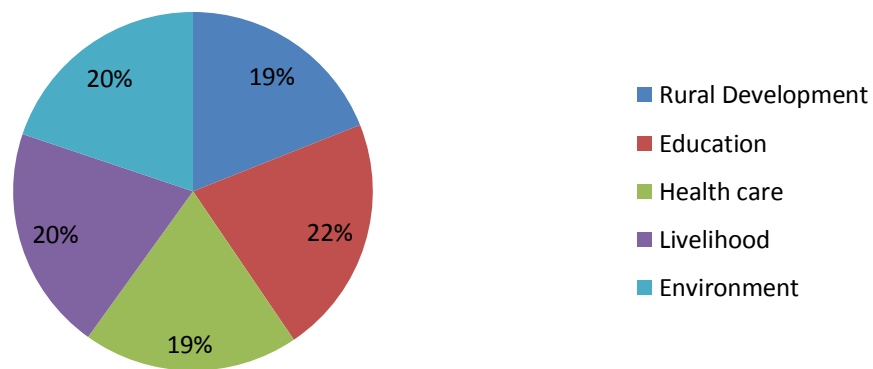
As portrayed in the Chinese express, the general objective of health-related CRs is to improve people's well-being through the provision of health services and interventions and the promotion of preventive health care, especially in rural areas. This often means increased access to facilities and programs for health. Examples of infrastructure spending programs include the construction or repair of hospitals and mobile clinics, or funding of 142 infrastructure, such as ambulances, medical equipment and x-ray machines, to fulfil corporate responsibility requirements, the Fig. 3 demonstrates the major area of CSR initiatives.



**Fig. 3:** The Major area of the CSR initiative

The data presented in Global Submit CSR (Public Harmony Growth Chamber) shows that out of the total companies surveyed, about 75% of the companies have focused their CSR spent on rural development, 98% of the companies use their some portion of the CSR fund to 85% in health care and 93% of environmental & livelihood businesses in the education sector. It clearly shows how many commitments

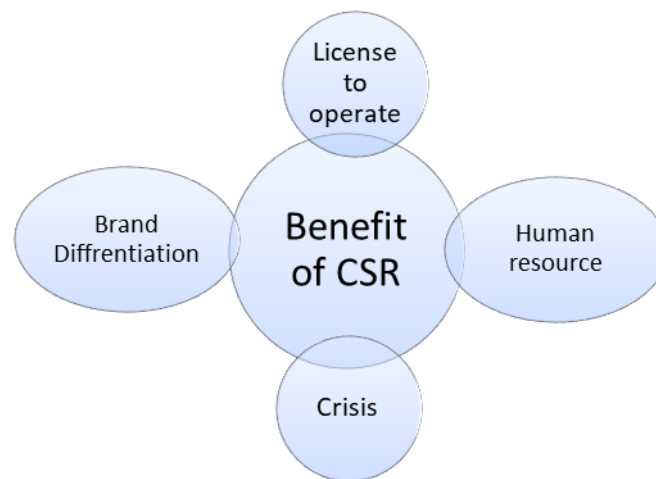
these top corporations display towards their target of social corporate responsibility. The key focus areas for these companies are education, economy, healthcare & economy, and these sectors are getting a good chunk of funds for their up gradation & growth. The information was also seen via a pie-chart in Fig. 4.



**Fig. 4** Companies Spending in the Different aspect of the Public Life as the CSR Initiative

Fig. 5 has been illustrating the benefit of the CSR at large nation as well as for the organization. The amount of the invest in CSR by any corporate house will certainly give the return in term of the License to operate, human resources, brand differentiation and in case of the crisis. There are occasion when the CSR is included in the company’s strategic planning to invest in which area of the CSR or even strategically decide the region to make the investment in

term of the CSR initiative. The investment make in CSR brought many relaxations for a corporate house from the government. The investment in the CSR is a good step to gain the good will among the masses in order to recognize as a good brand, moreover it will help organization to get license to operate in different domain of the technology and region only because of the good will of the organization.



**Fig. 5** Benefit of the CSR

**Conclusion And Implication**

As it is one of the developing nations with the largest youth population in the world, India is considered the best destination for business organizations. The Indian economy is rising at a good pace & no. National foreign companies are emerging in the market with their company. At the same time, however, India faces no such problems as poverty, illiteracy, unemployment, shortage of health facilities, remote education institutions, and many more. It is therefore high time now that all businesses should concentrate on their CSR position and be made aware of the value of CSR in terms of its need and profit to society. Business houses need to spend the appropriate percentage of their income in

corporate social responsibility-related programs in compliance with rules and regulations in order to create a good relationship and equal partnership between business and society.

CSR has no limits, and race, color, or religion is not limited. Sadly, community interest is frequently mistaken for socialism. On the contrary, in economic activity, every individual is an asset and has opportunities to succeed. For countries, this unseen community will form a brighter future. Initiatives are unlikely to be successful if workers do not see the point of CSR initiatives, or understand the message. Organizations need to recognize that the government alone will not be able to succeed in its attempt to uplift societies downtrodden. The current social media ideology of businesses is continually changing and has given rise to a new idea- CSR.

The importance of someone being associated with socially important causes as a way of preserving goodwill and

prestige, resisting attacks and growing market competitiveness has been realized by many of the world's leading companies. This stems from the urge to do better and get self-satisfaction in exchange as well as corporate social duty. In order to expand its presence in remote areas, Indian companies sectors are working to launch CSR in the small and medium sized enterprises (SME) market. Some businesses have already begun to use CSR as a tactic aimed at the simultaneous joint growth of business and the environment.

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