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## **Analytical Study of Corporate Social Responsibility in India with reference to IT**

### **Industries**

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### **Abstract :**

In India, the term Corporate Social Responsibility (CSR) is widely being used even though related concepts and terms, such as business responsibility, sustainable development, philanthropy, sustainability, corporate citizenship, responsible business, triple bottom line, shared value, value creation, business ethics, socio-economic responsibility, bottom of pyramid, stakeholder management, corporate responsibility, and corporate social performance. This paper focuses on the CSR trends in India.

Keywords : CSR, IT industries, business

### **Introduction :**

**Corporate sustainability** is an approach aiming to create long-term stakeholder value through the implementation of a business strategy that focuses on the ethical, social, environmental, cultural, and economic dimensions of doing business. The strategies created are intended to foster longevity, transparency, and proper employee development within business organizations.



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**Sustainable business**, or a **green business**, is an enterprise that has minimal negative impact on the global or local environment, community, society, or economy—a business that strives to meet the triple bottom line. Often, sustainable businesses have progressive environmental and human rights policies. In general, business is described as green if it matches the following four criteria. It incorporates principles of sustainability into each of its business decisions.

1. It supplies environmentally friendly products or services that replaces demand for nongreen products and/or services.
2. It is greener than traditional competition.
3. It has made an enduring commitment to environmental principles in its business operations.

A sustainable business is any organization that participates in environmentally friendly or green activities to ensure that all processes, products, and manufacturing activities adequately address current environmental concerns while maintaining a profit. In other words, it is a business that “meets the needs of the present [world] without compromising the ability of future generations to meet their own needs.” It is the process of assessing how to design products that will take advantage of the current environmental situation and how well a company’s products perform with renewable resources.

Everyone affects the sustainability of the marketplace and the planet in some way. Sustainable development within a business can create value for customers, investors, and the environment. A sustainable business must meet customer needs while, at the same time, treating the environment well. To succeed in such an approach, where stakeholder balancing and joint solutions are key, requires a structural approach. One philosophy, that include many different tools and methods, is the concept of Sustainable Enterprise Excellence.

Sustainability is often confused with corporate social responsibility (CSR), though the two are not the same. The ethics, morality, and norms permeate CSR, sustainability only obliges



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businesses to make intertemporal trade-offs to safeguard intergenerational equity. Short-termism is the bane of sustainability. Green business has been seen as a possible mediator of economic-environmental relations, and if proliferated, would serve to diversify our economy, even if it has a negligible effect at lowering atmospheric CO<sub>2</sub> levels. The definition of "green jobs" is ambiguous, but it is generally agreed that these jobs, the result of green business, should be linked to clean energy, and contribute to the reduction of greenhouse gases. These corporations can be seen as generators of not only "green energy", but as producers of new "materialities" that are the product of the technologies these firms developed and deployed.

In India, the term Corporate Social Responsibility (CSR) is widely being used even though related concepts and terms, such as business responsibility, sustainable development, philanthropy, sustainability, corporate citizenship, responsible business, triple bottom line, shared value, value creation, business ethics, socio-economic responsibility, bottom of pyramid, stakeholder management, corporate responsibility, and corporate social performance.

The CSR activities of Indian companies are in line with the provisions of Section 135 with Schedule VII to the Companies Act, 2013. The CSR initiatives of companies thrust on creating value in the lives of the communities around its areas of business and manufacturing operations.

CSR has become an effective tool to work in the line of Sustainable Development Goals (SDGs) with a strong focus on social performance indicated in the CSR projects of the organizations. The SDGs, otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

Most of the businesses consider community as one of its apex stakeholders and believes in inclusive growth. This year most of the organisations continued its CSR initiatives in the realm of Education, Health, Livelihood, Rural Development and Social Entrepreneurship.



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Organisation's diverse projects and operations touch lives of people in many ways and create value by helping in overall and holistic development of communities within multiple geographies. Through its various initiatives, Companies endeavour to play a relevant role by serving communities and projects that address gaps in basic societal requirements.

CSR initiatives are conceptualized and implemented through Corporate Foundations, Non-Government Organisation (NGOs) and Agencies and not-for-profit organisations. Most of the organisations worked on 4P model (Public-Private-People-Partnership) for empowering communities and stakeholders. Businesses have positively impacted lives particularly of several hundreds of thousand underprivileged people through various CSR activities and approaches.

It has been observed that for Indian Companies, Corporate Social Responsibility (CSR) is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community, experts and the society at large to improve lives in ways that are good for business and for its development.

### **Seven pillars of CSR strategy**

1. Need of partnership in CSR
2. Cross learning
3. Supplementing and nurturing CSR
4. Per beneficiary cost reduction and maximizing the impact while reaching more people
5. Knowledge management and documentation
6. Use and reuse of resources for better CSR
7. Capacity building of the CSR workforce and re-skilling

### **Need of partnership in CSR**

Business organisations now recognise Corporate Social Responsibility (CSR) as a great opportunity to significantly strengthen their businesses – while building, strengthening and renewing human, social and natural resources and wealth. Finding the right kind of partners is absolutely important to the success of a CSR strategy. We are in connected world.



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All issues are connected to the other issues, perspective and environment. Working alone is good but working together is great. Working alone yields lesser benefits as compared to the working together always. CSR world should explore togetherness by partnering with other entities. Togetherness in addressing the social and environmental issues is good for all. CSR world should encourage partnership to execute the mega social projects.

To fulfil the corporate social responsibility (CSR) goals businesses have to realise and act in partnership. Formation of partnerships has played a very significant role in progress and prosperity across the world. Partnership brings companies, businesses, people and society together and then pool their resources together in order to achieve the set goals. Partnerships is CSR is need of hour. Partnership opens doors for cross learning of knowledge and experiences.

### **Cross learning in CSR**

Cross learning is key to CSR strategies. Learning improves performance and minimise risks. Effective partnership among likeminded organisations for CSR execution ensures cross learning in Corporate Social Responsibility. CSR leaders from different organisations must visit specific CSR locations of other organisation where CSR projects are being implemented and meanwhile they should meet the beneficiaries to gain new insights. CSR leaders must build a deep understanding of the socio-economic issues and they must be open enough to understand issues both from a business and a societal perspective. Learning from others in CSR can save time and resources. Concentrate on your CSR efforts but same time CSR leaders must learn from variety of successful CSR programmes. The greatest opportunities will come from areas where the business significantly interacts with society. Cross learning in CSR is immensely helpful in supplementing and nurturing CSR programme and projects.

### **Capacity building of the CSR workforce and re-skilling**



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In the fast changing world, capacity building of CSR workforce and re-skilling them are always relevant and are key to CSR performance. Human resource are fundamental requirement. CSR leaders must empower their subordinates by providing them right attitude, knowledge, information and trainings. Same time, CSR managers also be open to learn new things. Developing soft skill, professional skill, project management skill and leadership skill among CSR workforce is continuous process. Rigorous training, development and re-skilling of the CSR manners can save time, efforts and resources.

### **Hypothesis**

H<sub>01</sub> : There is no significant relationship between Corporate Social Responsibility with Organizational Culture and its dimensions and Corporate Social Responsibility with Business Ethics of the Information Technology Industries.

H<sub>11</sub> : There is significant relationship between Corporate Social Responsibility with Organizational Culture and its dimensions and Corporate Social Responsibility with Business Ethics of the Information Technology Industries.

### **Hypothesis Testing**

This hypothesis regarding relation between CSR and organizational culture is tested through the One Sample t-test using statistical software SPSS.

#### **One-Sample Statistics**

N	Mean	Std. Deviation	Std. Error Mean
500	2.6900	1.36000	.06082



### One-Sample Test

Test Value = 5					
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
-37.980	499	.000	-2.31000	-2.4295	-2.1905

To test this hypothesis; a Likert scale is used. Response of 500 respondents are recorded and inputted in the SPSS software. The mean value generated is 1.36 and Standard Deviation is 0.0. The test value is set as 5 as Likert scale is two level scale to record the responses. From the above One Sample t-test hypothesis is significant i.e. 0.000. So the NULL hypothesis is rejected and the alternate hypothesis 'There is significant relationship between Corporate Social Responsibility with Organizational Culture and its dimensions and Corporate Social Responsibility with Business Ethics of the Information Technology Industries' is accepted.

### Conclusion :

In India most IT industries are performing very well in the recent area. As per the government regulations IT industries are also investing their profit share for the society. The IT industries are contributing for the social cause thus they are paying back to the society. The hypothesis is tested using t-test. Through t-test it is found that there is significant relationship between Corporate



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