CORPORATE SOCIAL RESPONSIBILITY-EMERGINGTRENDS IN HYDERABAD

MD.AYESHA SIDDIQ BEGUM
M.COM, M.PHIL
SR.ASST.PROFESSOR
HUMANITIES & SCIENCES DEPARTMENT
GREENFORT ENGINEERING COLLEGE
BANDLAGUDA, HYDERABAD.

ABSTRACT

Corporate social responsibility (CSR, also called corporate conscience, corporate citizenship, social performance, or sustainable responsible business/ Responsible Business is a form of corporate self-regulation integrated into a business model. CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. In some models, a firm's implementation of CSR goes beyond compliance and engages in "actions that appear to further some social good, beyond the interests of the firm and that which is required by law. CSR is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered stakeholders.

INTRODUCTION

CSR is titled to aid an organization's mission as well as a guide to what the company stands for and will uphold to its consumers. Development business ethics is one of the forms of applied ethics that examines in corporate Social Responsibility (CSR), can be described as, the continuous dedication by corporations towards the economic and social development of communities in which they operate. It is the moral obligation to do something for the betterment of others without expecting anything in return. Today, CSR in India has gone beyond simply charity and donations, and is approached in a more organized fashion. It has become an integral part of the corporate strategy. Companies have CSR teams that formulate specific policies, strategies and goals for their CSR programs and set aside budgets to support them. The basic objective of CSR in these days is to maximize the company's overall impact on the society and stakeholders CSR has gone through many phases in Indiacal principles and moral or ethical problems that can arise in a business environment. ISO 26000 is the recognized international standard for CSR. Public sector organizations (the United Nations for example) adhere to the triple bottom line (TBL). It is widely accepted that CSR adheres to similar principles but with no formal act of legislation.

EMERGING TRENDS IN CORPORATE SOCIAL RESPONSIBILITY

Business houses in India are increasing in realizing their stake in the society and engaging in various social and environmental activities.

CSR holds a very important place in the development scenario of India today and can create as an alternative tool for sustainable development. As companies have shown great concerns for their immediate community and the stakeholders, it can be safely concluded that much of the fate of society lies in the hands of the corporate. A successfully implemented CSR strategy calls for aligning these initiatives with business objectives and corporate

PERSPECTIVES ON CORPORATE SOCIAL RESPONSIBILITY

In the age of globalization, corporations and business enterprises are no longer confined to the traditional boundaries of the nation-state. One of the key characteristics of globalization is the spread of the market and the change in the mode of production. The centralized mode of production has given way to a highly decentralized mode of production spread across the world.

In the last 20 years, multinational corporations have played a key role in defining markets and influencing the behavior of a large number of consumers. The rules of corporate governance have changed too. And there has been a range of reactions to this change. On the one hand globalization and liberalization have provided a great opportunity for corporations to be globally competitive by expanding their production-base and market share. On the other hand, the same situation poses a great challenge to the sustainability and viability of such mega-businesses, particularly in the context of the emerging discontent against multinational corporations in different parts of the world. Laborers, marginalized consumers, environmental activists and social activists have protested against the unprecedented predominance of multinational corporations.

Three emerging perspectives corporate social responsibility::

One, a business perspective that recognizes the importance of 'reputation capital' for capturing and sustaining markets. Seen thus, corporate social responsibility is basically a new business strategy to risks and reduce investment and maximize profits by taking all the key stake-holders into confidence. The proponents of this perspective often include corporate social responsibility in their advertising and social marketing initiatives.

The second is an eco-social perspective. The proponents of this perspective are the new generation of corporations and the new-economy entrepreneurs

who created a tremendous amount of wealth in a relatively short span of time. They recognize the fact that social and environmental stability and sustainability are two important prerequisites for the sustainability of the MARKET in the long run. They also recognize the fact that increasing poverty can lead to social and political instability. Such socio-political instability can, in turn, be detrimental to business, which operates from a variety of socio-political and cultural backgrounds.

For the new generation of corporate leaders, optimization of profits is the key, rather than the maximization of profit. Hence there is a shift from accountability to shareholders to accountability to stakeholders (including employees, consumers and affected communities). There is a growing realization that long-term business success can only be achieved by companies that recognize that the economy is an "open subsystem of the earth's ecosystem, which is finite, non-growing and materially closed". (Herman E Daily in 'Sustainable Growth? No thank you' in The Case of the Global Economy, (Eds.) Jerry Mander, Edward Goldsmith; Sierra Book Club, 1996)

There is a third and growing perspective that shapes the new principles and practice of corporate social responsibility. This is a rights-based perspective on corporate responsibility. This perspective stresses that consumers, employees, affected communities and shareholders have a right to know about corporations and their business. Corporations are private initiatives, true, but increasingly they are becoming public institutions whose survival depends on the consumers who buy their products and shareholders who invest in their STOCKS.. This perspective stresses accountability, transparency and social and environmental investments the key aspects of corporate social responsibility.

Four emerging trends in corporate social responsibility By any count, the world is changing faster than ever before. Human numbers are growing faster, and the impact of our activities is being felt in more and more ways. This change has profound implications for business, and means that the world of CSR - or how businesses respond to society's expectations - is at the forefront of this change. So it's worth looking for what are the current trends and where are they heading.

What drives trends in an area like CSR? Three things. One - attitudes to business and its relationship with society are changed and shaped by outside events. These can be demonstrations of social problems that substantially change the environment within which companies do business, which are partially or wholly caused by business activities, or which businesses are likely partners in finding solutions.

These can be as diverse as extreme climate events raising the profile and public concern aboutclimate change, right through to a run of incidences of corporate corruption. Businesses are called upon to change behaviors or solve problems because of something external to them. Two - expert practitioners have a vision for how sustainable business should operate, and develop new ideas, or increase expertise on past

experience, and implement these within the business. This defines how businesses focus their attention when the spotlight isn't particularly on them. Do they define CSR as being about philanthropy, or environmental management, or core purpose and the business model?Three - outside agencies create a vision for the achievement of future goals, and actively recruit businesses and partners. So in recent years, the involvement of businesses in finding ways to meet the millennium development goals has been an example

1. Moving from reporting to engagement

The current model of CR reporting has hit something of a ceiling in terms of the quality of data. We have spent the last ten years evolving our approach to measuring our progress and still haven't come close to the original goal - to find ways of measuring CSR in a reliable and meaningful way that enables us to compare the performance of individual companies.

Why have we hit the ceiling? Because some of the most significant information is difficult, even impossible to measure. But particularly, because the context behind the data makes it neither valuable nor reliable to use this information to draw conclusions about how well a company is doing.

So some companies are now starting to focus their aim on the engagement side. Since customers, employees and suppliers generally don't read reports, companies are beginning to experiment with ways to interest, entice and even seduce those stakeholders into wanting to engage with the company about what it's doing.

It's early days for this one, but the implication of this trend is that CSR executives become less compliance focused and more involved in discussion with marketers. That is a move that is also supported by the next trend.

2. It's about the business model

More companies are starting to understand a little more about the scale of the challenge that faces us in terms of sustainability, and they're wondering what this means for their business model.
Here's the central dilemma. On your current model, if your company does very well, does that result in damage to the environment? Is the achievement of a positive outcome something you have to work hard to achieve in spite of your business process? Or can you find a business model where the better the social outcome you achieve, the better your business does in terms of profit?

3. Finding our own identity and respect

CSR Executives have been asking themselves for some time whether they are part of a proper professional discipline or not. When Accountability was first formed in the late 1990s, it was styled the Institute of Social and Environmental Accountability with a view that it would become the professional body for accountability professionals'. That didn't happen, but we've seen the CRO in the States and the Corporate Responsibility Group in the UK tackling the same question.

4. Taking the role of global citizens

Businesses have aways taken an interest in influencing the public policy agenda, but historically purely from a defensive purpose of fending off potential restrictions on its ability to make profit. But as physical evidence for climate change increases and the urgency of taking action keeps pace, companies are starting to re-evaluate what is their role as change agents.

Companies are pragmatic entities, and ones that are used to defining themselves around adaptability to change. That makes them almost uniquely suited to responding to global environmental challenges.

Conclusion

It's worth noting that not all these trends are pulling in the same direction. And the fact they are emerging trends does not make their continued emergence inevitable. Some of them may well turn out to have been a momentary experiment, quickly to be abandoned.

But they are emerging because powerful forces are driving them, and although something big could happen tomorrow that suddenly changes everyone's context, by and large these forces seem unlikely to go away in the short term.