

Human Resource's Initiative to Focus on Corporate Social Responsibility

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ABSTRACT

Human Resource (HR) professionals have helped their careers by doing work that impacts the bottom line and focusing their efforts on Corporate Social Responsibility (CSR). HR professionals that are leaders of CSR activities place themselves in spotlight for top management to see. To ensure that CSR is the one of the most important part or tool for the organization's long term business goal & strategy in today's competition market. HR's contribution to CSR can lead to the betterment of humanity, starting from its internal stakeholders and extending into the community, while at the same time benefiting the organization via cost saving, increased productivity, and an improved corporate brand. The gap by looking at HR contributions to CSR and providing a framework on the HR role in planning, implementing, monitoring and institutionalizing CSR. To forecast on the organization's next five to ten years goal & strategy to sustain & gain more profit in today's market. The credibility of CSR is dependent on delivery, not rhetoric HR people have relevant knowledge & skills in relation to organizational learning & cultural change. Employees are key stakeholders in any organization. Secondary Research Methods Like through papers, journals search books the research topic written down. Main conclusion comes out that HR need to focus more on to take initiative in Corporate Social Responsibility for the organization's ethics & also for the brand values in the global market.

Keywords: Human Resource, Corporate Social Responsibility, Sustainability, Role Engagement, Ethic.

I. INTRODUCTION

In 21st Century's competitive market, the organization wants to sustain & increase their brand value throughout the global. Human resource Managers are the key person, who can help the organizations to achieve their goals & sustain in this competitive market. CSR can be the key tools for the HR to help the organization to restore the trust on their stakeholders, employees & valuable customers & can also increase their corporate brand value. The study closely analyzes the importance of HR to take initiative in CSR to sustain in this global market & also retain their employees. Friedman (1970), argues that CSR distracts business leaders from economic goals, and the only social responsibility of business is to increase its profits.

1.1 Role & Importance of Human Resource Management

Human resource defined as the total knowledge, skills, creative abilities, talents & aptitudes of an organisation's workforce as well as the values, attitudes, approaches, & beliefs of the individuals involved in the affairs of the organisation. Human Resource Management (HRM) is a function in the organization to maximize the employee performance in service of their employer's strategic objectives. Main objective of the HR to manage the employees, focusing on the company policies & systems. HR managers are involved in various work including recruitment, training & development,

performance appraisal, rewarding to sustain the employees & also to meet the organization's goal. They are also engaged in Industrial relation that is, balancing of organizational practices with regulations arising from collective bargaining & government laws. HR is the mother of the company, who takes care of the all department's needs & deeds, like a mother taking care of her child. The main roles or function of the HR are Planning, Organising, Staffing, directing or Leading, Controlling. Planning involves deciding in advance as to what is to be done, how & when. Organising refers to identification of activities to be carried out, grouping of similar activities & creation of departments. Staffing involves manpower planning, employment of personnel & their training, appraisal, remuneration, etc. Leading includes communication with subordinates, providing them leadership & also motivating them. Controlling steps are taken when the actual performance is not up to the mark. HR professionals have helped their careers by doing work that impacts the bottom line and focusing their efforts on corporate social responsibility. HR professionals that are leaders of CSR activities place themselves in spotlight for top management to see. Approximately 2/3 of U.S. HR professionals are directly involved in CSR activities. Employee performance indicators adopted by leading CSR firms, such as diversity & inclusion health, safety, & wellness- work life balance.



1.2 Corporate Social Responsibility

Due to globalization, need for development & also for the climate change's the 21st century is characterized by unprecedented challenges and opportunities. 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. In 1990's the CSR becomes more important for the organization, because the spotlight was being shown on the poor condition of the work in global supply chain. Companies use the CSR as their branding tools to sustain in this global market & also to increase their brands values. CSR can be applied to the HR toolkit, resulting in a roadmap or pathway for human resource practitioners to follow to contribute to the achievement of their organization's sustainability and business aspirations, thereby improving social and environmental conditions locally and as well as globally.

The problem with Corporate Social Responsibility (CSR) is that nobody is very clear about what exactly it encompasses. In 2009, the Indian government tried to make it mandatory for organizations to spend at least 2% of net profits on CSR. However, facing strong criticism from corporate executives, it gave up the effort and made the spending voluntary by making amendments to the Company bill in March 2011. As a common practice, almost all the corporations are involved in some form of corporate social responsibility (CSR) programs in areas like education, health, livelihood creation, skill development, and empowerment of weaker sections of the society. However, what the Indian corporations seem to be struggling on is the extent to which CSR activities should be the focus of their business? Corporate Social Responsibility (CSR) can be an important aid for Human Resources (HR) to recruitment and retention, particularly within the competitive graduate market. CSR can also help to build a 'feel good' atmosphere among existing staff. It can consider as an important tool for the future long term business goal & strategy. Human Resource practitioner can play to embed a CSR ethic throughout the organization. HR's contribution to CSR can lead to the betterment of humanity, starting from its internal stakeholders and extending into the community, while at the same time benefiting the organization via cost saving, increased productivity, and an improved corporate brand.

II. LITERATURE REVIEW

Literature reviewed reveals that CSR is a triple bottom line (economic, social and environmental) performance and essentially a top-management driven activity, devoid of employees' participation. Different researchers at different points of time have emphasized the critical importance of HR for the proper implementation of CSR and the role that HR can play in developing the process where the business objectives are assessed and values re-aligned to match them with staff expectations. Agarwal (2007) stated that with the adoption of HR policies, such as, periodic review of employee performance, adequate training for the workforce and career advancement norms for its personnel, creating motivation, and commitment in the workforce the organization can reap the full business benefits and become successful to the great satisfaction of all its stakeholders. This is also reinforced by Malikarjunan (2006). Emphasizing upon such dimensions Krishnan & Balachandran (2004) pointed out the role of HRM in incorporating responsible practices within an organization. It is due to the lack of involvement of employees and failure to embed the socially responsible values into the organizational culture that many CSR initiatives inevitably fail and they just become an exercise in public relations (Mees & Bonham, 2004).

The above verdicts of different researchers at different points of time entail that no doubt they have underscored the role of employee involvement through HR in various socially responsible initiatives of organization. But they have paid little attention on this aspect that how the internalization of CSR culture can happen with the initiatives of HR department of organization. How the company's values and policies for corporate responsibility can be reflected through various HR functions and consequently how the HR function can be a powerful agent in effecting company-wide progress in its CSR performance. With this backdrop in mind present study has designed.

III. METHODOLOGY

Methods of Research

This study is totally based on the secondary sources such as several conference paper, websites, articles, case studies, eBooks and journals pertaining to the information on the Corporate Social Responsibility, HR strategies. Besides, author also put an endeavor to venture her own view on the said title.

IV. RESULTS & DISCUSSION

Many organizations have invested lots in corporate social responsibilities programs to regain the trust of the stakeholders, employees & customers. Some large IT companies adopt poor children & undertake to support them for their education/provide free training in computers, like wise some manufacturing companies may set up a free medical health camps, adopt a village to provide drinking water facilities in this way the company gives some good returns/benefits for the community in which they operate & this would help the company to earn goodwill & brand building in the longer run.

Based on the studies through methodology, research & also based on some case studies the results & discussion comes out as follows:

4.1. Ashok Leyland

Ashok Leyland Operates a FunBus in Chennai and New Delhi. This bus, equipped with a hydraulic lift, takes differently abled children and those belongs from orphanages and corporation primary schools on a day's picnic. The company also runs AIDS awareness and prevention programs in its Hosur factories.

4.2. Infosys

The Infosys Science Foundation set up in 2009. Annually Infosys honor by awards to outstanding achievements in the fields of science and engineering. Beside that the company supports causes in health care, culture and rural development. Infosys taking initiative to run 100 school teachers in Karnataka, who were suffering from arthritis, underwent free surgery as a part of a week-long programs.

4.3. Aditya Birla

The largest concentration of poor deprived of all round poverty in India needs the helping hand of socially responsible citizens and hence corporate like Aditya Birla Group came forward with the urge to help the have not's. In 1940, inspired by the ideology of Mahatma Gandhi, the legacy of the trusteeship, Mr. G.D. Birla set up schools and temples keeping in mind that education is a great leveler and temples are great unifier. Mr. Aditya Birla propounded the concept of 'sustainable livelihood' by which he would say "Give a hungry man fish for a day, he will eat it and the next day, he would be hungry again. Instead, if you taught him how to fish, he would be able to feed himself and his family for a lifetime." Keeping this in view, Kumar Mangalam Birla has implemented the concept of triple bottom line accountability represented by economic success. All CSR projects are carried out under the aegis of "Aditya Birla Centre for Community Initiatives and Rural Development", led by Mrs. Rajashree Birla. It gives the strategic direction for CSR activities and ensures performance management. All the group companies viz. Grasim, Hindalco, Aditya Birla Nuvo and Ultratech have rural development cells for all-round development of the communities around their plants in rural areas. Knowing the basic needs of the community by sitting with them the CSR team prioritize the work and plans the way of implementation. They continuously monitor their milestone that entails physical verification of the progress and output of the project. Aditya Birla Group's one of the unique initiatives is model villages which ensure self-reliance in education, health care and family welfare, infrastructure, agriculture and watershed management. They are serving 3000 villages across the length and the breadth of our country and 7 million people annually of which 60% are living below the poverty line and belong to scheduled castes and tribes. They contribute towards different facets of society such as education, healthcare and family welfare, infrastructure development, sustainable livelihood and other social causes. In education, Aditya Birla Group runs 42 schools having 45,000 children of which 18,000 children receive free education. *Balwadis* serves for elementary education to 20,000 children, reaches out to more than 29,000 people through adult literacy program. They also provide scholarship for girls and awarded merit scholarship to

8,000 students in villages, distance education, digital literacy etc. In healthcare and family welfare, They have 5,000 hospitals which cater more than 5,00,000 poor people almost free of cost. Every year they conduct more than 3,500 medical camps where more than 5 million patients having various diseases such as HIV / AIDS, cancer, TB, cataract and cleft-lips etc. are treated. They immunized 6 million children against polio in a single year, sponsoring and managing 23,000 booths. They have also organized polio corrective surgery. In infrastructure development, Aditya Birla Group is involved in developing community centres, schools in villages, healthcare centres and hospitals, roads, homes for the homeless, rural electrification, irrigation and water storage structures etc. Their collective efforts will bring 5,000 hectares of land under irrigation, directly benefitting 20,000 farmers and their families. In social causes, they organize widow re-marriage and dowry-less mass marriages, culture and sports and put stress on women empowerment. Under sustainable livelihood program, they do some developmental program such as Integrated agriculture development, Integrated livestock development, Microenterprise development, Skill development / vocational training through Aditya Birla Technology Park for integrated training program and VT centres at most of their plants in collaboration with ITIs and arranging microfinance for women and farmers.

4.4. TATA Steel

“No success or achievement in material terms is worthwhile unless it serves the needs or interests of the country and its people.” – J.R.D. Tata

Tata Steel, one of the major SBU of Tata Group, spends 5%-7% of its PAT(profit after tax) on various CSR initiatives such as Self-Help Groups (SHG's), Supports Social Welfare Organizations, Healthcare Projects, Economic Empowerment, Assistance to Government etc. As per the SHG is concerned, 500 self-help groups are involved to eradicate poverty and among them, 200 self-help groups are engaged in income generation through micro enterprises. Besides, 2,600 tube wells are installed by which 4,00,000 people are getting benefitted. Apart from that, Tata Steel assists various social welfare organizations like Tata Steel Rural Development Society, National Association for the Blind, Tribal Cultural Society, Sishu Niketan School of Hope, Centre for Hearing Impaired Children and so on. In healthcare, Tata Steel has taken some initiatives as part of the Tata Steel Centenary Project such as childcare and immunization, child education, AIDS awareness program etc. Under the program of economic empowerment, an expenditure of Rs. 100 crore has been estimated for improvised or contrived agriculture in three backward tribal blocks like Jharkhand, Orissa and Chhattisgarh and this will help approximately 40,000 tribal of 400 villages of these three states. Tata Steel also assists the Government by collaborating with the Government of Jharkhand by launching a program named, The National Horticulture Mission, which benefitted more than 1,000 households. To enhance rural livelihood with renewable energy, Tata Steel made a collaboration with The Ministry of Non Conventional Energy and the Confederation of Indian Industry (CII). In association with the Ministry of Railways, Impact India Foundation and the Government of Jharkhand, Tata Steel hosted 12 Lifeline Express which helped 50,000 people in getting treatment out of which 5,000 people got surgical facilities.

The HR Manager should take initiatives to make a policy to sustainable practices involved employees. HR needs to take a big initiative to improving the employee's retention levels & employee's satisfaction levels. Introduction of the new employees through presentation where CSR be more highlighted. Through website, news & newsletters alter through mail the CSR programmes will be updated to the employees, stakeholders & as well as the customers, so the employees, customers & stakeholders Came to know about the companies CSR activities done in organized way. CSR information System, Code of ethics of an organization, Responsible Human Resource Management practices on equal opportunities, diversity management, redundancy human rights, and harassment

shall give credibility to the CSR initiatives of the organization. During the mergers and acquisitions the work culture and the work environment change. The employees are very much in stress & in hesitated to work in a new organization. Through the CSR activities held by the company, the new employees are free to hesitate and they accept and welcome the mergers and acquisition for betterment of their exiting company and ready to work with the good work environment and with new policies. Through CSR company can increase their brand values in a proper & organized way.

V. CONCLUSION

The purpose of this study is to provide more insight into “HR’s initiative to focus on Corporate Social Responsibility”. A mother can understand the needs of a child before saying anything by the child than others. In same manner, HR plays the role of the mother for the company who can understand the companies’ needs before saying by anyone. Corporate Social Responsibility is very sensitive for any organization. To build the corporate value, retained the honest and trusty employees, to minimize the cost, giving the equal employee opportunity, maintains the company in organized way to achieve the goal and sustain in today’s competitive markets, HR needs to take initiatives and focus more on the Corporate Social Responsibility. Beside the companies all needs HR need to focus on the social responsibility is done in ethic way or it is using as unethically. If the social activities are ethical and it’s really helping the needed persons, then only the organization can sustain their brands in global markets and increasing their brand values. CSR can use as HR one of its tool for the employees and employers good relationship, stakeholders and customers trust and also for the healthy and wealthy work culture for the long run. Initiative of HR in CSR can make CSR more effective and also it can be done in ethic way. Also it can increase the effective cost for more CSR activities for our society.

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