

Issues and challenges of corporate social responsibility in India

Dr. Pankaj Gupta

Associate professor, Department of Commerce

JV Jain college, Saharanpur

Ajay Choudhary

Research Scholar, Ch. Charan Singh University, Meerut

Abstract : Business social responsibility (CSR) is an important public policy issue in the Indian corporate landscape, since it has developed a long-term engagement with the general public due to expanding socio-regulatory influences. An organisation or person has a duty to behave in ways that benefit society as a whole, according to the concept of social responsibility. Social responsibility is a responsibility that each and every one of us owes to the environment and the economy. In 1953, William. Bowen's book 'Social Responsibilities of Business' was the first to introduce the phrase "corporate social responsibility." Businesses in India have long engaged in philanthropy and community service as part of their corporate social responsibility (CSR), which is now referred to as "social obligation" or "charity contributions" in India. Human resources are the foundation of all economic activity. The primary goal of this study is to examine the views of India's future corporate leaders regarding Corporate Social Responsibility (CSR). When it comes to CSR, firms like Tata and Nestle have been implementing it for decades in India prior to it being a mainstream trend. CSR (Corporate Social Responsibility) is a hot topic in India, despite the fact that there are so many excellent examples. Corporate Social Responsibility (CSR) initiatives are often carried out very superficially by huge corporations, who then use the media to publicise and emphasise their accomplishments. This study focuses on the concerns and obstacles experienced by CSR (Corporate Social Responsibility) operations in India and how they might be overcome.

Keywords: Social Responsibility, CSR Issues & Challenges

INTRODUCTION:

Historically, businesses' primary responsibilities have been to create new money and boost the worth of existing stockholders. However, in today's globalised world, firms place a higher value on making a positive impact on society and the environment. There is a growing need from society, customers, governments, and other stakeholders for businesses to conduct their

operations in an environmentally friendly manner. When a firm responds to a crisis, it is commonly referred to as "Corporate Social Responsibility" (CSR), which has been around since the 1970s. Corporate social responsibility (CSR) has a long and distinguished history in India. Indian Entrepreneurs have learned a lot about social responsibility in recent years, but CSR (Corporate Social Responsibility) in India is yet to get mainstream attention. Corporate social responsibility (CSR) has four stages in India's history.

However, just one tenth of India's one million registered businesses are listed on the Indian stock market. As a result of this new trend, separate committees have been established inside the board of directors to manage the company's CSR operations. Companies are being urged to band together once again in order to promote CSR. The Alliance for Corporate Social Responsibility was established in Europe in 2006 (CSR). There are 70 international corporations and 25 national partner organisations now involved, making it a unique resource to develop CSR capabilities (CSR).

Companies or Corporate Houses are one of the numerous stakeholders in our society. These corporations are making major contributions from their own resources, both to benefit their own internal constituencies and to give back to the community at large. Companies like Tata and Nestle have been engaging in Corporate Social Responsibility (CSR) in India for many years before it was widely accepted as a practise. Corporate Social Responsibility (CSR) has had a significant impact on a wide range of issues. There are several social aspects that fall under this umbrella, such as health care, education, food security, and the environment. The above-mentioned locations have been benefited by a number of initiatives that have been introduced by them.

ISSUES & CHALLENGES: -

Many companies say that corporate social responsibility may be a peripheral problem for his or her business and customer satisfaction more important for them. They imagine that customer satisfaction is now only about price and repair, but they fail to means on important changes that are happening worldwide that would blow the business out of the water. The change is known as social responsibility which is a chance for the business.

The issues are given below:

- International Environics has recently conducted a poll in which one out of every five customers claimed that they have either rewarded or penalised enterprises based on their assessment of their social performance.
- The study highlighted a lack of openness as one of the most pressing concerns.
- Stakeholders, including consumers, workers, communities, suppliers, investors, and activist groups, are increasingly demanding greater information from firms.
- Competition in the labour market forces firms to improve their working conditions in order to attract and retain qualified workers.
- There is a lack of interest in CSR efforts among the general public.
- Government and non-government organisations tend to have a restricted view of CSR projects, typically describing CSR initiatives as more donor-driven than local in approach, which is a problem.
- The lack of well-trained and efficient non-governmental groups is a major problem for firms' CSR efforts, and there is a need to address this issue.
- The media has a crucial role to play in spreading positive stories and educating the local population about the many upcoming CSR activities of corporations.
- As a result, there is little agreement on how CSR initiatives should be carried out in the local community. Companies frequently duplicate efforts in areas where they have influence since they aren't aware of the consensus.
- Well-established nongovernmental groups are said to be hard to come by in rural and outlying locations, according to reports.
- Governmental and non-governmental groups have a restricted view of corporate social responsibility (CSR) activities, frequently characterising CSR programmes as more contributory than local in approach.
- There is a lack of well-defined regulatory criteria or policy directions to give corporations' CSR operations a specific direction.

CSR: CHALLENGES:

It can be summarized as follows:

- Lack of community involvement in CSR activities is one of the most common problems with CSR programmes.
- It is necessary to develop local resources.

- Lack of well-structured non-governmental groups
- Factor of visibility
- A skewed view of corporate social responsibility (CSR) programmes
- A lack of agreement on how to deal with CSR concerns
- The lack of defined criteria for CSR

The survey's suggestions are solid indicators of the current state of things in the CSR area, and they correlate to the essential and suitable activities to be taken to put CSR on a more solid footing. Accordingly, all stakeholders are urged to take the following guidelines into account for their own efficient operationalization of CSR within the company's core business and to establish collaborative connections with those engaged. Recommendations include: raising awareness; forming partnerships among stakeholders; pooling resources; intervening in rural areas; providing incentives and exemptions; emphasising CSR as a topic; establishing an accreditation mechanism; and using a participatory approach.

CONCLUSION:

Corporate social responsibility (CSR), according to the United Nations and consequently the European Commission, results in a triple bottom-line: profitability, environmental preservation, and social justice. Corporate social responsibility (CSR) is most effective when it is integrated into a company's overall growth plan. Identifying, promoting and implementing effective policies and procedures that generate triple bottom-line outcomes is critical for businesses. It is possible to see Corporate Social Responsibility (CSR) as a collection of good deeds undertaken by diverse businesses. However, the manner in which businesses conduct themselves may have a huge influence on society. A movement of Corporate Social Responsibility (CSR) is needed in India in order to implement the goal of a better world. There are several ways in which both public and private groups will work together to improve the quality of life for the general people. The need for more accurate measures of success in the area of CSR, as well as the distribution of CSR plans, is a major problem confronting businesses today. It is possible to make a company look more trustworthy and raise the standards of other companies at the same time by allowing for open communication and transparency.

References :

1. Bindu Tiwari and Naveen Kumar, “Corporate Social Responsibility Performance about Digitalization of Marketing in India”. International Journal of Emerging Research in Management & Technology, vol. 7. No. 4, 2018, pp. 25-29.
2. Baluja, Garima (2017), “CSR Practices by Banks: A Comparative Study” International Journal of Engineering Technology, Management and Applied Sciences. Volume 5, Issue 4, ISSN 2349-4476 353.
3. ACCSR’s State of CSR in Australia Annual Review 2010/11.
4. Banerjee PK. Corporate Governance & Business Ethics in the 21st Century. ICAFI Journal of Corporate Governance 2003; III(2).
5. Business Line, Business Daily from THE HINDU group of publications, Wednesday, Jun 23, 2010.
6. Burke L. Associate Dean and Director, Executive Education, Notre Dame University, USA. CREM-Report, nr. 03.650.
8. Corporate Social Responsibility Practices in India, Times Foundation, the corporate Social responsibility wing of the Bennett, Coleman & CO. Ltd.
9. CSR in India: Some Theory and Practice in Wall Street Journal dated Thursday, April 23, 2009.
10. Desirable Corporate Governance: A Code”, established in April 1998.