Labyrinth of Responsibility - CSR Mystification Becoming A Corporate Challenge

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Abstract
Corporate Social Responsibility is to be considered at every corporate strategy table at present to materialize the vision of sustainability. Moreover the inspirational activity voluntarily to be executed has been pushed to the limits of tolerating compulsiveness whereby the contribution to the welfare and upliftment of the society is practically ensured. The initiative taking a legal compulsiveness has created a plethora of execution level inefficiencies right from identifying the best activity for the year as well as identifying an ongoing activity so as to ensure a cumulative advantage over the years. Accumulated benefit recouping also at the end of the value tunnel of CSR makes it rather competitive for corporate to identify the best activity region and pumping in resources and the percentage of mandatory outflow at the right time with utmost management which should result in the sufficient return on the Objective whatever it might be, independent of the corporate funding strategies. When all the mandatory organizations falls into the CSR activities based on their competencies and business interest the challenge is to get the best social problem and span it in such a way that the Net Result of the campaign is mutually beneficial. From the social point of view this results in a even more challenging task of identifying the most beneficial corporate action and reap the benefit out of it. But when the overcrowding of CSR activities round the clock the social alertness of the benefits has become parse and this inattention is a future corporate challenge. The study is an attempt to identify the ways of CSR definition and the possible issues related to the CSR - social interaction paradigm and to raise discussion on relevant areas of scope of CSR demystification possibilities from the labyrinth of responsibility of corporate entities.

Keywords: CSR, CSR dimensions, strategy

Introduction
It is not too long that CSR will be part of almost all strategic discussion whether it be a private, public or social organizations. Last ten years have seen the growing popularity of the term –CSR – Corporate Social Responsibility, but very few have captured the real meaning of the term in its entirety. CSR is a strategy adopted by a company as a long-term investment to sustain its business by creating a value proposition between the corporate objectives and the protection of the environment. Corporate generally see CSR as a image building tool and a white washing opportunity on the negative perception of a brand or a product in the market. Executives find it difficult to convince the corporate top management about the relevance of genuinely performing CSR activities and the long term benefit that could be reaped out of this. Many corporate visionaries have understood the insight of CSR but also fails in due sense to convince the entire functional managers about the relevance and the scale of activities encircling the concept of CSR. The discussion always revolve around the weak correlation, that is evident in most cases in the short run, between the cost and the revenue which is extrapolated as huge burden for the organization, ultimately ending up in a dilemma.

Basically it is the way in which CSR is reflected when it is put at the strategy table makes the difference. To make a sustainable corporate responsibility agenda the conventions that are set to
continue with the status quo of management thought has to be changed with due intolerance at all possible levels.

Understanding CSR dimensions
Corporate Social Responsibility could be understood only if the various dimensions contributing to the essence of CSR is analyzed for its in-depth interpretation. The basic dimensions that is mostly discussed in literatures about Corporate social Responsibility, social audits, responsible corporate management etc. takes into account the Environmental dimensions, Social dimensions, Stakeholder dimensions, Economic dimensions, Voluntariness dimensions. CSR dimensions (Smith, 2011) reveals the broader understanding of the term and the necessary dimensions of its strategic corporate engagement.

The environmental dimension describes basically about the natural environment where the objectives mentioned revolves around the definition for ‘a cleaner environment’ further more for a sustainable model may be ‘environmental stewardship’ but in general sense could elaborate on the various concerns in business operations perspective where the impact of the operation or the existence of the business on the natural environment and the business environment whereby describing the responsibility towards mitigating the losses or sufferings for the environmental factors.

The social dimension describes the role of business in uplifting the society it links to directly or indirectly and also refer to the need for social integration whereby a mutual benefiting value is generated through the business operations. Concerns around the society in large or very specific issues faced by the society carries a responsibility opportunity which encompasses the disintegration of the issues and realigning the selected issues to remain a strategic sustainability proportion for the business. Thus social issues become a core focus of CSR. This resulted in the corporate philosophies getting rewritten to encompass the not only profit focused business development but also elevating to the standards of a higher purpose for the existence of the business entity making this dimension of CSR defined. (Kochukalam, Cris Abraham, 2013)

Socio-economic or financial aspects, falls in the economic dimension of defining a CSR campaign, when the focus is towards development and the economic value added to the external environmental factors of business. It takes into account the economics of spending a gaining from spending less and continuously. This dimension gets into the strategy of doing something for the society which the society considered is of vale and accepts to receive the benefits of this and joints the activities. The intention behind such dimension being included in the CSR definition carries the underlying fact that the business does something good should reflect back equally good for the money, time, and effort spent. This is truly the business concept of CSR which is fairly accepted in the business perspective.
More over the socio-economic or financial perspective to CSR usually is mutually beneficial if the proposition of cost and revenue is explicitly not the highlight of the campaign.

The stakeholder dimension takes a much wider impact on the CSR perception of business where the business tries to engage in socially responsible activities for making sure that the stakeholders can take pride in associating with the organization because it is deemed to be a “responsible organization”. Moreover this is made mandatory by government and regulators, social stakeholders are satisfied by the business contribution for positive social impact, shareholder value increases, suppliers, distribution channel, customers and the potential customers recognizes the organizational worthiness, competitors finds it more challenging and above all business entity feels to fulfill all stakeholder obligations to reflects its achievements and the social good it has contributed while growing.

The voluntariness dimension is more interesting to add to the definition of CSR where the business by itself inculcates the ideology of “Being good by doing good” and volunteers to remain responsible to the other dimensions- social, economical, stakeholder and the environmental. More to say despite any rules or compulsion this definition makes organizations remain fully responsible to the society at large. The value, principle and policy of the business underlines the voluntariness towards remaining responsible which makes business strategy intertwined with responsible application at every stage right from conceptualization to commercialization and beyond making it a volunteering function.

**CSR Legal Manifestation**

In August 2013, the Parliament of India has passed Companies Act, 2013 which has drawn attention from all over the world due to its provisions on CSR. The act provides a Corporate Social Responsibility Policy which defines CSR and mandates the spending and reporting of 2 percentage of Net Profit of the company on CSR. Government involvement in the CSR of companies and legalizing it has its critics and supporter.

The opinion has evolved from the view that the only goal of the companies is to serve the interests of shareholders by making profit using corporate resources (Clarke, 1998). It has passed through the phase of voluntary involvement of Companies in CSR activities. The natural resources that a firm use for its business belong to the society at large. A business firm processes these resources, add value to it and make profit transacting this value. Since the resources have alternative uses the firm has a responsibility to utilise these in the most efficient and effective manner. Thus the firm has to integrate social and environmental concerns in their basic operations (Crowther & Aras, 2008).

The thought process which the government uses as the theoretical backing for legalizing CSR spending is that the government involvement in CSR can be cooperative and positive (Shin, Jung, Khoe, & Chae, 2015). The legislation requires a substantial investment of corporate resources in CSR. CSR ideally should be conceived at the top level of the organization structure. Then only the activity can be aligned with the strategic goal of the company. Strategic CSR intends to create shared value, value for the society and value for the company. Perfect examples of shared value are the establishment of Cisco Academies to train networking personal by Cisco and development of Milk Districts by Nestle in India, China and Pakistan (Porter & Kramer, 2006)

**But how is CSR to be understood by the way it is defined?**

The social, environmental and economic dimensions are merely different categories of impacts from business. However, such a distinction is recognition that business, as a producer of economic wealth, does not only have economic impacts. Further, the distinction is useful since different sets of tools have to be used when analysing and managing the social, environmental and economic impacts from business (Dahlsrud, 2006). The definitions by itself does not envisage any performance indicators and thus optimal performance levels are not described. Much of the dimensions are quality oriented and not be able to quantitatively expressed in monetary of other reliable numbers. Thus the comparative analysis of what difference has a CSR activity of one organization has made is rarely a true reflection of the impact that activity could have originally generated. The proximity of an evaluation deadline for CSR impact is yet to be fully conceptualized. What really is to be done to get qualified as a CSR for a particular organization and the relevance, importance and scope needs to be defined multi
dimensionally than unidimensionally, stands as the crux of understanding the dimensions thus discussed. The voluntariness dimension implies that the business should perform above regulatory requirements, which will set the minimum performance level deemed acceptable. It is in practice a balancing act between the stake holder interest, business drivers’ influence, visionary perspectives, capability, capacity, willingness, dynamicity of business structures, vales, principles, norms and policies that guide the organization and the social respectability as a whole which might include the urgency of the need, necessity of the social reform, relevance of the solution, willingness for accepting external intervention, social change paradigms, social stigma, societal barriers linked to the region, caste, creed, rituals, language, traditions, customs and so on. Ultimately understanding corporate Social Responsibility and defining it for integrating with business practice and balancing with social receivers makes it sustainable and empowering to organically nurture itself in the long run.

**CSR mystification – a discussion**

The mandatory CSR contribution has been with a vision of engaging corporate to contribute back to the social welfare. A meager gratitude been asked to forcefully show even if the corporate entity as a whole boasts on their capacity to grow by itself even if the social environment suffers. Has it not possess a challenge for the corporate to explore beyond their business propositions to look at what new avenues are available for showing responsibility. An inspirational activity now getting forcefully implemented does it lack the heart of executing it at the right spirit? The timeliness of the several CSR activities is yet another challenge. Choosing the right activity at the right time is a critical strategy of responsibility action. The chosen activity has to be planned and implemented making sure that no one else does the same at the same time. Will the society accepts the CSR activity from the organization. What perception does the responsibility action makes in the mind of the potential as well as the existing customers and other stake holders. How much span is ideal to cover? Do we need a separate strategic outfit for identifying till execution and followup of the activities? A competitive spirit that exists as part and parcel of every business entity will conquer the essence of the CSR dimensions. A continuous upliftment activity based on each of the dimensions will ever be properly accounted for their cause and effect? Several business entities with several different social up liftment programs round the year, does create a mystification rather than the envisaged effect. The scope of discussions limited to the study extends to :

- How is CSR defined by corporate entities for the purpose of connecting it with the business functions
- Has the CSR activities implemented within the scope of business and aligns with the overall strategy of the business
- Are CSR programmes based on the real understanding of the need of the society or is based on the competencies of the business?
- Is CSR applied in the immediate or direct environment or is opportunistic in implementation level.
- Does expert opinions been considered at each level of planning till follow up of the CSR programs?
- An inspirational responsibility being made manadatory is put under the purview of corporate auditing and social auditing in its true sense.
- Social audit reveals the real benefit of the CSR activity being implemented and whether the parameters used for social audits reflects the intrinsic value derived by the social elements.
- As CSR competitiveness grow in the future as more business entities fall in the bracket of mandatory CSR , has this been forecasted to cause competition and sufficient proactive measures been undertaken to guide this.
- Has society been given the opportunity to chose from the various corporate entities the relevant voluntariness for their specific issues rather than accepting any “benefit tagged” dumping.
- Is CSR being performed in such intervals which is deemed appropriate for the cumulative effect being truly beneficial for the society?
Is there a scope of Social problems and requirements and corporate CSR fund tradeoff for an organic sustainable development

Is it better to cumulate such fund to be routed through NGOs and NPOs to flow to the economic, social, environmental betterness than been managed by the respective corporate entity itself?

Will the CSR independently managed within organizations or is it outsourced for better return on objectives?

Will it be better if the CSR is redefined so that the real beneficiaries are identified and the benefit derived is measured?

To avoid CSR mystification can a National level CSR monitoring portal is managed?

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