



Corporate Social Responsibility & Education for Sustainable Development



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Article history:

Received: 27 December 2015

Accepted: 30 January 2016

Published: 31 March 2016

Keywords:

corporate social responsibility;
education sector;
generation;
globalization;
sustainable development;

Abstract

Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large” According to World Business Council for Sustainable Development, In globalization era education plays a crucial role in building the society and Nation. India is the highest country in a number of universities which constitute more than seven hundred universities, including private, public and semi sectors. Despite India have more institutions and strategies for education still Indian education is not competitive and performing infancy stage as compared to world-class level. Education has a pivotal role in nation building and molding superb wings of human resource. In globalized economy and the privatization, the education has been transformed into rural or root level of sustainable development in all sorts of human life. Adopting a businesslike approach which emphasizes a strategic CSR is important to survival in this increasingly competitive arena. It does not appear as a surprise to see universities and colleges discover the opportunity to move the focus beyond the classrooms into their own institutional operations. Universities, colleges, and schools are the centers of knowledge generation and sharing perform a very important role in addressing the Triple Bottom Line of the world’ socioeconomic and environmental issues by promoting sustainable solutions. This paper discusses the good CSR practices and some suggestions that can boost up the CSR management and make invites on the education sector.

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1. Introduction

Du *et al.*, (2007), Golob & Bartlett (2007), Henderson (2007), “Corporate executives have an obligation as global citizens to play a role on the world stage, but they should understand that this role requires them to balance two, extremely delicate, sets of responsibilities: they must address the urgent issues of our times, without overstepping the boundaries of democratic legitimacy, and they must contribute to the public welfare, without neglecting their primary role as generators of private wealth. We are both leaders and statesmen. Although there are those who would like us to be neither”

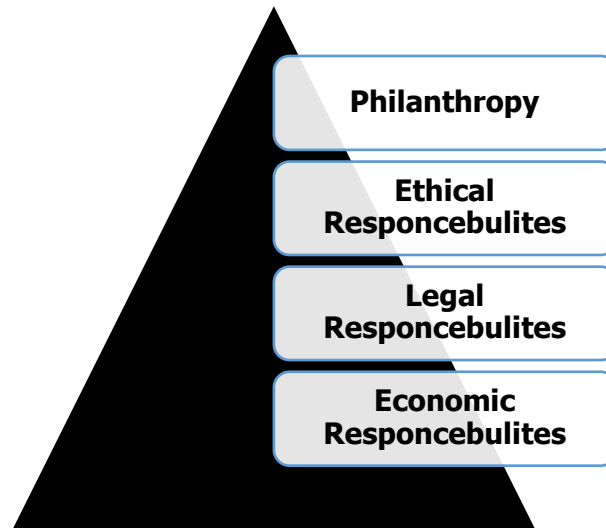


Figure 1. James D. Wolfensohn, former President, World Bank, Washington DC
CSR as a multi-layered concept

Source: Multi-Layered Model by Archie Carroll (1991)

Hutchins & Sutherland (2008), Jenkins & Yakovleva (2006), Kolk & Van Tulder (2010), Corporate Social Responsibility (CSR) is a process with the aim to embrace responsibility for the organization or 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. According to Companies Act-2013, clause-135, companies with an annual turnover of Rs.1000 crore or more; or net worth of Rs.500 crore or more; or net profit of Rs.5 crore or more shall take on CSR. A CSR committee of the board should be constituted which should consist minimum three directors, out of whom at least one should be an independent director. Labuschagne *et al.*, (2005), Seelos & Mair (2005), the Act says that companies to spend at least 2% of their average net profit in the previous three years on CSR activities or programmes.

2. Materials and Methods

This article is presented based on qualitative analysis. The data were obtained through observation and interviews. The observations were conducted in a non-participant manner and interviews were conducted in a deep interview. The informants were determined purposively and snowball. Data processing was done in three stages included data reduction, data presentation, and data verification/conclusion.

3. Results and Discussions

3.1 Various activities can be included by companies in their CSR Policies like

- a) Eradicating hunger, poverty and improve education and literacy

Nehru, R. (2016). *Corporate social responsibility & education for sustainable development. International Research Journal of Engineering, IT & Scientific Research*, 2(3), 72-81.
<https://sloap.org/journals/index.php/irjeis/article/view/490>

- b) Promoting gender equality and empowering women
- c) Reducing child mortality and improving maternal health
- d) Ensuring environmental sustainability, and E
- e) Employment enhancing vocational skill, etc.

"Education is the single most important instrument for social and economic transformation. A well-educated population, adequately equipped with knowledge and skill is not only essential to support economic growth, but is also a precondition for growth to be inclusive since it is the educated and skilled person who can stand to benefit most from the employment opportunities which growth will provide.

- (Ministry of Human Resource Department, India)

3.2 CSR models at Global and India

At present globalization accelerates and large corporate companies serve as global providers, these corporates have progressively recognized the benefits of providing CSR programs in their various locations. Corporate Social Responsibility (CSR) is becoming an increasingly important activity for businesses nationally and internationally.

The United States of America (USA) Model: CSR has been defined much more in terms of a philanthropic model. Companies make profits, unhindered except by fulfilling their duty to pay taxes. Then they donate a certain share of the profits to charitable causes. It is seen as tainting the act for the company to receive any benefit from the giving.

The European model: is much more focused on the core operating business in a socially responsible way, complemented by investment in communities for solid business case reasons. This model is more sustainable as social responsibility becomes an integral part of the wealth creation process, which if managed properly should enhance the competitiveness of the sinless and maximize the value of wealth creation to society.

The Indian Model: CSR Initiatives in India are a blend of the above two models. CSR is about building sustainable businesses, which need healthy economies, markets, and communities.

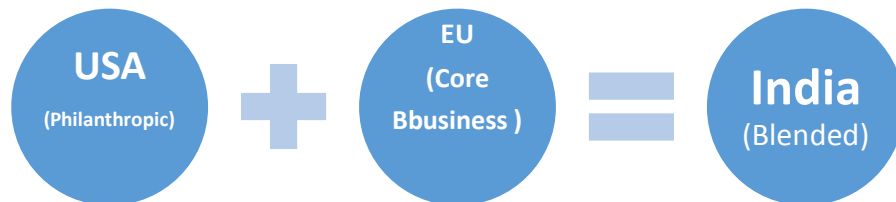


Figure 2. Indian Model of CSR

This paper to be highlighting the role of corporate social responsibility as an essential feature of corporate policy to focus and fulfill the need for corporate social responsibility for a major role in all levels of education. Székely & Knirsch (2005), Weber (2008), to stress the interrelationships between the roles of civil societies, government and corporate invites in education. For this paper based on a primary and secondary source like journals, articles, authentic books, newspapers and companies, Non-governmental organizations (NGO), International Organizations Like UNICEF, UNESCO, World Bank, MHRD, Universities... etc websites have been accessed for the paper. A collaborative approach in CSR: Value Added for Business and Society

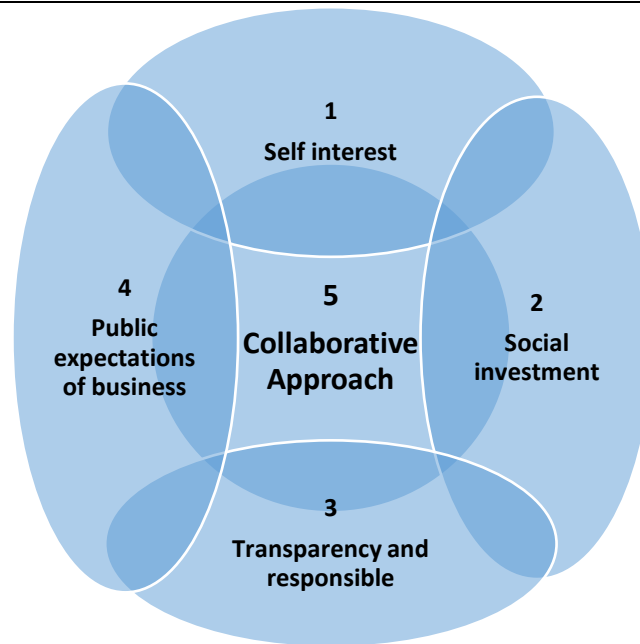


Figure 3. A collaborative approach in CSR: Value Added for Business and Society

- 1) **Self-interest** - creating a synergy of ethics, a cohesive society and a sustainable global economy where markets, labor and communities are able to function well together.
- 2) **Social investment** - contributing to physical infrastructure and social capital is a necessary part of doing business.
- 3) **Transparency and responsible** - business has low ratings of trust in public perception. There is increasing expectation that companies will be more open, more accountable and be prepared to report publicly on their performance in social and environmental arenas.
- 4) **Public expectations of business** - globally, companies are expected to do more than merely provide jobs and contribute to the economy through taxes and employment.
- 5) **Collaborative approach** - collaborative approach between society and corporate associate and come out with a progressive approach.

3.3 CSR in the Globalized scenario

Globalization could lead to benchmarks, better jobs, higher standards of living, but could result in the gap between developed, developing and under developing countries broadening to the detriment of all. Thus, two key areas need to be managed by corporations, along with governments in the process of globalization, talents and the mobility of people with talents in demand and trade. Developing countries need to learn to develop and also retain talent, and that requires a revamp of much of its culture including education infrastructure, legal systems, to adapt to meet changing demands and more international tastes.

In globalized society' necessary effective corporate governance have come to realize the need to share a common vision of corporate social responsibility, though the contents and issues which it would encompass and the priority accorded to them would differ

“The Company works with local governments, to touch people’s lives at the grassroots level. Our commitments to social responsibility and to making profits are necessarily linked”. - **Jack Greenberg, President, and CEO, McDonald’s Corp. the USA**

Corporations need to realize that good causes can help improve an organization or companies as well as a country’s image. The notion of CSR is especially crucial in the case of developing or underdeveloped countries. Therefore, social responsibility is a means of managing risk and avoiding a big price to pay for lack of involvement.

Microsoft's investment in India in different ways in the sphere of education "Project Shiksha" and health "eradication of HIV/AIDS" are worth emulating by other corporations. SmithKline Beecham's aim to eliminate elephantiasis and Liz Claiborne's efforts to increase awareness of domestic violence are some of the examples of corporations increasingly taking on the mantle of social responsibility.

In this present era of globalization as corporations are becoming more aware of their social responsibilities the traditional responses of companies contributing to good causes are dramatically changing from mere philanthropy.

3.4 CSR and Indian context

Corporate social responsibility is represented by the contributions undertaken by companies to society through its core business activities, its social investment and philanthropy activate and its engagement in public policy. In recent years CSR has become a fundamental business practice and has gained much more attention from executive management teams of big international corporates. They understand and accept that strong CSR program is an essential element in achieving good business practices and effective partnerships. Companies have determined that their impact on the economic, social and environmental landscape directly affects their relationships with stakeholders. CSR has looked into new dimensions in recent years. The Indian context is distinct. On the one hand, there are longstanding traditions of respect for family and social networks, and the high value placed on relationships, social stability, and education.

CSR is not a new concept in India. Corporates like the Tata Group, Aditya Birla Group, and Indian Oil Corporation and many corporations have been involved in serving the community ever since their inception. Many other organizations have been doing their part for the society. CSR has become increasingly prominent in the Indian corporate scenario because organizations have realized besides growing their businesses it is also vital to build trustworthy and sustainable relationships with the community at large. At present CSR in India has gone beyond merely charity and donations. It has become an integral part of the corporate strategy. Companies have CSR teams that devise specific policies, strategies, and goals for their CSR programs and set aside budgets to support them.

For examples like Bharat Petroleum Corporation Limited (BPCL), Maruti Suzuki India Limited, and Hindustan Unilever Limited, adopted villages where they focus on holistic development. They provide better medical and sanitation facilities, build schools and houses, and help the villagers become self-reliant by teaching them vocational and business skills. On the other hand, GlaxoSmithKline Pharmaceuticals CSR programs primarily focus on health and healthy living. They work in tribal villages where they provide medical checkup and treatment, health camps and health awareness programs. Many CSR initiatives are executed by corporate in partnership with Non-governmental organizations (NGOs) who are well versed in working with the local communities and are experts in tackling specific social problems. For example, SAP India in partnership with Hope Foundation, an NGO that works for the betterment of the poor and the needy throughout India, has been working on short and long-term rebuilding initiatives for the tsunami victims. Together, they also started The SAP Labs Center of HOPE in Bangalore, a home for street children mainly focus on their education.

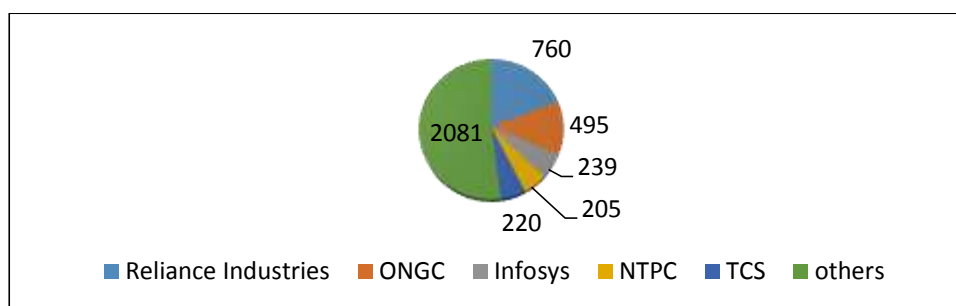


Figure 4. Top 75 companies spent Rs 4,000 crore on CSR in 2015

<http://www.legalservicesindia.com/article/article/corporate-social-responsibility-and-sustainable-development-1766-1.html>

The country's top 75 companies spent more than Rs 4,000 crore towards responsibility in the last fiscal, the first year after the government mandated bigger companies to give away a part of their profits for social work, early estimates

of the government show. Reliance Industries spend a big amount of Rs 760 crore, ONGC with Rs 495 crore, Infosys with Rs 239 crore, NTPC with Rs 205 crore and TCS with Rs 220 crore, according to company filings.

The government expects total spending in the first year to top Rs. 9,000 crore and rise substantially in coming years, a senior government official said. The initial estimates of the government had pegged CSR spend of Rs. 15,000 crore in a year." The CSR spend picked up last year after the necessary CSR framework was put in place by companies," the official said. Wipro, ITC, Mahindra & Mahindra, and Hindustan Unilever are among the 28 companies that met the mandatory CSR spending norm of at least 2% of their annual average net profits for the preceding three years.

3.5 Corporate Social Responsibility and philanthropy

CSR is also linked to the broader issue of "Corporate Governance. Needless to emphasize that Indian companies have to take a closer look at CSR and link it to corporate governance if they really want to make a mark in all the three pillars of CSR. According to a recent pilot survey by CII in Tamil Nadu, only 40 percent of the companies practices CSR initiatives. The pilot survey highlighted that a majority of the companies did not take CSR seriously and those who did, did it only with a philanthropic frame of mind. The pilot survey also revealed that more than 50 percent of the companies made their employee welfare activities as part of their CSR initiative, not really contributing to an outside community or its development.

In India, though corporations have a strong will to dedicate their resources for a social cause, they find it difficult to reach the right people considering the demography and diverse social problems of the country. The uniqueness of Smile Foundation lies in its working model – Social Venture Philanthropy. SVP seeks sustainability, scalability, accountability, transparency, credibility and effective leadership.

Reliance Industries Ltd. launched a countrywide initiative known as "Project Drishti", to restore the eyesight of visually challenged Indians from the economically weaker sections of the society. This project, started by one of India's corporate giants has brightened up the lives of more than 5000 people so far.

3.6 CSR and Education sector

Today, education faces the mounting challenges of standardized testing, strained budgets, teacher retention, and global workforce competition. Businesses have begun to take a more targeted approach in their corporate social responsibility programs and are seeking to impact areas that have a correlation with their own business goals. For many businesses, education is an important part of their plans, since the needs exist in all geographic areas, across all subject areas, and for all kinds of people. The bottom line is that educational outreach efforts have the potential to make a real and lasting difference for all players involved.

Companies get involved in education for a number of strategic reasons, including building a positive reputation and goodwill among consumers, employees, investors, and other stakeholders; developing brand recognition, whether to increase consumer loyalty, boost sales, or establish the company as an industry leader; building a more educated workforce; raising consumer awareness about a particular issue; and fulfilling a company mission or mandate. Students, schools, and the general public can benefit from the experience and expertise that corporations bring to the table, particularly if the groups work together to ensure the right needs are being met on both ends. Companies looking to contribute to public school education, for instance, must consider the many demands that schools and educators face daily: time constraints, tight budgets, technology access, standardized testing, and explicit curriculum standards – as well as the unique places where outside help is needed. As long as they address the right needs, businesses have the ability to make a tremendous impact. By providing highly engaging resources, by building in strong connections with instructional needs, and by effectively marketing the resources, more and more companies are simultaneously meeting educational goals and their own business goals. The comprehensive, focused, relevant involvement is key to the new direction of corporate social responsibility. A new era of corporate involvement and investment in education is here, with promise and opportunity framing the way forward.

3.7 CSR and ICT Education Invites

The world has undergone a tremendous change with the advent and proliferation of information and communication technologies (ICT) such as the internet, email, and wireless, mobile communication, whose impact (both positive and negative) is perceived in every sector of society and every corner of the globe. In this new era of the knowledge society that has emerged in the course of human history role of corporations are extremely crucial in complementing government's efforts.

Governments need to match the pace of change currently occurring in the world of information technology and e-commerce. But unlike businesses, governments are hindered in their ability to manage and lead change. Long-term strategies are forsaken in favor of short-term frameworks, which yield measurable outcomes. With any major social upheaval, there is always the danger that traditional values will be cast aside. However, in the Asian context values will remain intact and perhaps become even more important. In this context, it is essential that an increased value be placed on education with a strong emphasis on ensuring that all members of society have access to the Internet. This means training teachers now, rather than waiting for a generation until a new group of educators acquires computer and IT skills.

In India there are many companies catering to IT education and training, like Micro-soft, Intel Infosys, Wipro, Tata Consultancy Services (TCS), NIIT, CMC, APTECH, DOEACC not only IT organization/company's Dr.Reddy's Foundation, GMR foundation etc., providing IT education both in terms of creating a skilled and trained workforce, from the perspective of companies needs as also to aid the process of computerization be it the railways, banking, insurance, health, etc. as also providing basic computer training in order to access the mine of information presently available through internet. However, the problem that majority striving to gain access to computer education face is enormous expenditure incurred, much beyond the reach of the vast majority.

3.8 Government Invites in ICT Education

The touchscreen computers and kiosks establish throughout Andhra Pradesh is a part of the governmental efforts in introducing e-governance. However, in a state also marked by high suicide rates of farmers, poverty and absence of basic literacy in the rural interiors, such measures would only be effective in solving the plight of the farmers, if investments are also made in basic education and awareness and the usage of the computers, be it when farmers apply for a small loan or demand better irrigation facilities, or avail the benefits of ICT projects in rural areas, etc.

The Microsoft CEO, Satyam Nadalla during his recent visit in December-2015, to Amaravathi (New Capital), Andhra Pradesh, that Microsoft helps to support infrastructural facilities with co-operation on IT mobile technologies for school children. In a developing country like India marked by internal asymmetries that reinforces the digital divide, realization of the potential of the digital decade would entail enormous investments and structural changes in varying levels, namely the spread of education not merely basic literacy at all levels, development of a reliable communication infrastructure and the software to connect the people of different communities with diverse socio-cultural, linguistic, religious and ethnic background.

Project Shiksha (Rs.100 crore or US 20million dollar), launched by Microsoft to improve computer education in India, aims at training 80,000 school teachers who would be educating 3.5 lakh students across the country is an important step in this direction. Apart from Project Shiksha, Microsoft's strategy in India focus on localization efforts such that India adequately harnesses the benefits of the ongoing globalization process by launching Windows and Office in regional languages in future years. Such initiatives can be categorized as far from mere altruism. They cannot be categorized as charity either as Microsoft also declared its intention to invest the US \$389 million (Rs.1900 crore) in India, which accounts for the organization/company's largest investment outside the United States. Efforts of Microsoft are indeed exemplary and go a long way to suggest that corporations the world over, through long-term investments in both research and the spread of information and communication technologies right at the school level, do have a crucial role to play in bridging the digital divide in terms of complementing existing governmental efforts.

3.9 Education and CSR the challenges

To enable educational institutions to cater effectively to changing economic and industry needs, our educational policy should encourage greater collaboration between industry and universities in curricula and course design as well as industry research. There are several examples of industry-academia collaboration in India. Cisco collaborates with the Government of AP, establish a skill development center in Amaravathi new capital city area in the same way Amararaja Batteries also started skill development center at Chatur. ICICI Bank has worked closely with deans and professors of several colleges to help develop course content and to provide visiting faculty to these colleges. Bharti Tele-services have set up a telecommunication training school at IIT, Delhi. Infosys has established campus connect, an initiative to enhance the quality of teaching in technical colleges in India. Infosys also provides Ph.D. scholarships in the IITs, the IIMs, IIS, and a few engineering colleges. The SOS Children Villages of India, collaborate much Corporate organization/company's like Tata, Birla, ICICI even many public sector corporate SBI, Vizag Steel Plant, HSL, BHEL, NTPC etc.

Wipro Company to their CSR activity in the name of Azim Premji Foundation directly associated with education programmes in 19 states and UTs also to improve the literacy rate and academic levels in rural area primary and secondary government schools. They spend crores of rupees to improve school infrastructure facilities and learning levels. And they also started Teacher Education University at Bengaluru, it is a first private and this kind of Institute in India for academics, research, and extinction.

The Government should also encourage more collaboration between industry, research institutions, and colleges through tax incentives and a deregulated environment for research. Even if we need more monetary resources, we would do well to remember the words of Robert Bok, former President of Harvard University who remarked, and "If you think education is expensive, try ignorance!"

3.10 CUO Initiation to Social Responsibility

CSR activates are not too confined to corporates and public sector, every higher education institution can take it as a collaborative mode. The Central University of Orissa, Koraput adopts and take initiation as a social responsibility to support nearby five Tribble villages namely Rajpalma, Chokoraliput, Chikapara, Balda, Raniguda radios of 5Km. The university support in health, hygiene and education (Adult and continue) with the involvement of four departments (i.e. Teacher Education, Sociology, Anthropology, and Economics). Students from these departments participate and conduct all the activities. The Teacher Education Department takes initiation to educate the adult people and to support the slow learns to improve learning levels.

Suggestions

CSR programmers should contribute their resources to education. Investments in research spread of information and communication technology from school level onwards are the need of the hour. Collaborations between Government, educational institutions and corporate will accelerate educational reform and thus bring about the desired social development.

Corporate Social Responsibility has many faces to support many education programmers. Companies have been finding various innovative alternatives to discharge their social responsibility. Education is the sector which is the most important and socially rewarding effort for any corporate/public to be looked upon to discharge its social responsibility. Supporting education at any level will mean, re-energized the education sector, which can transform our country into a true knowledge power and realize a future of prosperity and growth.

4. Conclusion

Education has a pivotal role in nation building and molding superb wings of human resource. In globalized economy and the privatization, the education has been transformed into rural or root level of sustainable development in all sorts of human life. Adopting a businesslike approach which emphasizes a strategic CSR is important to survival in this increasingly competitive arena. It does not appear as a surprise to see universities and colleges discover the

opportunity to move the focus beyond the classrooms into their own institutional operations. Universities, colleges, and schools are the centers of knowledge generation and sharing perform a very important role in addressing the Triple Bottom Line of the world' socioeconomic and environmental issues by promoting sustainable solutions. This paper discusses the good CSR practices and some suggestions that can boost up the CSR management and make invites on the education sector.

Conflict of interest statement and funding sources

The author(s) declared that (s)he/they have no competing interest. The study was financed by the authors.

Statement of authorship

The author(s) have a responsibility for the conception and design of the study. The author(s) have approved the final article.

Acknowledgments

We would like to thank the editors for their valuable time and advice to complete this paper.

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