

THE IMPORTANCE OF CORPORATE SOCIAL RESPONSIBILITY IN THE PRESENT SCENARIO

Shani Raj.D

Abstract

In ancient times Corporate focused only on their profits. They ignored social interests. But today, Corporate is paying attention and competing to serve the public and protect their interests and social values. Therefore all companies are showing their participation in a new area called CSR (Corporate Social Responsibility). The companies aim to contribute to societal goals and supporting voluntarily to the public. CSR is the commitment of corporate or companies to uphold social values. It is an internal organizational policy of any concern. Now CSR is used as a strategy to strengthen the companies operation and build the brand's reputation. During the period of COVID-19, most of the companies are doing CSR, especially in the medical field. This study aims to understand the concept of CSR and the importance of CSR in the present scenario. The relevance of CSR is highly increasing daily.

A CSR strategy encourages companies to make a positive impact on the business environment. A CSR policy attracts and motivates its employees, customers, and other stakeholders. Social interests should also take precedence over the company's profit margin. CSR creates a more productive and efficient work environment for employees.

Keywords- Corporate Social Responsibility, Social Values, Commitment, COVID-19

Introduction

The importance of Corporate Social Responsibilities is increasing day by day. Most of the companies are competing to serve society most efficiently. During the COVID-19 most of the companies and corporate did more to the society, especially in the medical field. Companies gave aid to their employees, society, and the well-wishers. Through these activities, corporate attract public attention. This will help the company's growth. It is beneficial to companies by improving their brand image and employee morale.

Corporate Social Responsibility is as old as the evolution of business itself even though the concept was not formulated formally until presently. Raad (2005) describes that corporate social responsibility is not a new topic.

The CSR genesis may be traced back to 50 years. In 1960, Davis has mentioned the CSR concepts as "the actions and decisions taken for reasons at least partially beyond the organization's technical or direct economic interest. In 1961, Walton and Eells defined corporate social responsibility as "the issues that emerge when the corporate organization throws its shadow on the social scene, and the ethical principles that owe to rule the relationship between the society and corporation".

Objectives of the study

The main objective of this paper is to understand the importance of CSR in the present scenario and also to identify the concept of CSR.

The Concept of CSR

CSR is the businesses look at how they can provide better service to the society as a whole and also thereby improve their public image and relations. CSR is a management concept; here companies integrate social and environmental concerns in their business operations with their stakeholders. It describes that a company takes interest in social issues, rather than their profit margins so that they can make good business relationship with society. Each corporate sector has its responsibility to shareholders and also towards society. This type of responsibility for the rising of society would be considered CSR. In the present scenario, this concept is more relevant.

The concept of CSR has been widely popularized in recent times particularly during the outbreak of the pandemic disease COVID-19. The UNIDO (United Nations Industrial Development Organization) defines CSR as "a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders."

Nature of CSR

CSR is the practice of integrating social and environmental goals into business operations.

- It improves the company's brand
- It attracts top-quality professionals and facilitates financial resources.
- CSR facilitates external relations
- It is based on the interest and connections of the external relations such as the company and its stakeholders.
- It is the commitment to contribute to economic development
- It is the responsibility of the corporate to the employees, their families, and also to the community to improve quality of life and economic development.

Approaches to CSR

There are mainly four approaches to CSR. They are:

Obstructive

Obstructive-based social responsibilities are the most important ones. Its meaning is to block or get in the way. Here the company is more concerned with profits. They are cheating customers and employees. Their main aim is to make a profit. They are exploiting the customers to make a huge profit.

Defensive

Here the companies give less care to social responsibility. The companies act neutral. They give importance to making a profit rather than social responsibility. They perform according to the law so we can't take any legal action against them.

Accommodating

An accommodating approach to social responsibility is more important in the case of a company. The company ensures high responsibility to society and as well as making a profit. They do not hide their activities and they expressed them. These type of companies satisfies all legal requirements.

Pro-Active

Pro-active-based companies give their first importance to social responsibility. They take it as a challenge and their mission. They give all the facilities to their employees and pay a major part of their share to the society's benefits.

Importance of CSR

CSR is important to Society, Companies, Shareholders, and Employees, etc.

Why it is important to Company

A Corporate can build its image or brand. CSR enables and boosts up their morale and leads to greater productivity in the work. The company has to greater reputation and they can increase sales and also the customer loyalty. The company can attract more talented and committed employees and they can easily access financial resources. They can attain their organizational growth. It can be concluded as:

- Easy access to capital
- High productivity and efficiency
- Increased sales and customer loyalty
- Attract high qualification of employees
- Quality of company's product and services increasing
- Company's goodwill increasing
- The Company's profit margin should be increasing

Why it is important to Employees

The employee gets motivation and positive impact from the corporate. The company contributes more commitment and hiring quality staff, employee retention, etc. These will help to create productivity and increase efficiency. All employees should think about their organization's different types of social activities.

- Employees are likely to engage in their organization's CSR activities.
- Employees can develop professionally as a result of CSR.
- Employee satisfaction level improved.

Why it is important to Society

The CSR benefit goes mostly to the society or the public. During this pandemic situation, most of the organizations are doing CSR.

- Customer loyalty should also be increasing
- Company's image increasing
- The Public should familiar with the company's brand
- The Lifestyle of the people should change

Conclusion

The companies cannot go on without CSR because it so much affected the functions and existence of corporate. This is so much important even in the pandemic situations like COVID-19, Flood, etc. Most of the companies organized volunteer activities. CSR is one of the ways to popularize a company's name and reputation. The corporate are competing to ensure more to the employees and the public. So this study is very important in the present scenario.

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