ABSTRACT

Management trends have huge impacts on methods and strategies of managing business especially in the Modern era when organizations are in constant flux of change and adaptation given the imperatives of globalization, the role of business in society has been debated in economic literature in long time. By the term “Corporate Social Responsibility” what is generally understood is that business has an obligation to the society that extends beyond its obligation to its shareholders or owners. The philosophy is basically to give back to the society what it has taken from it in the course of its quest for profit maximization and Wealth creation. It could take the form of community relationship, voluntary assistance programs, health Care initiatives, special education/training programs, scholarships, preservation of cultural heritage and Beautification of cities. Thus, the aim of this research paper is to explore the CSR trends along with the adoption of business challenges. These article also portray 6 reasons for “why CSR matters”, CSR activities adopted by various corporate citizens., the implementation of Triple E(economic, ethical and environmental) bottom line which denotes when firms make profit but still put into consideration issues about environmental sustainability and other stakeholders’ interests. This is a crucial business strategy for organizational survival as issues of sustainability and CSR commitment stare organizations in the face.

“Everything is connected to everything else” is often called the First Law of Ecology. Helping human society to prosper in the 21st century requires that we recognize the importance of living in balance with our physical environment and treating each other with dignity and equity.

“The future belongs to those who understand that doing more with less is compassionate, prosperous and enduring and thus more intelligent, even competitive.”

Paul Hawken

Keywords: Corporate Social Responsibility; Community Participation; Building Trust
INTRODUCTION
What Is CSR?
“Corporate Social Responsibility is operating a business in manner which meets or excels the ethical, legal, commercial and public expectations that society has from business.”

According to Wood, “the basic idea of corporate social responsibility is that business and society are interwoven rather than distinct entities.”

Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives (“Triple-Bottom-Line-Approach”), while at the same time addressing the expectations of shareholders and stakeholders. In this sense it is important to draw a distinction between CSR, which can be a strategic business management concept, and charity, sponsorships or philanthropy. Even though the latter can also make a valuable contribution to poverty reduction, will directly enhance the reputation of a company and strengthen its brand, the concept of CSR clearly goes beyond that.

A properly implemented CSR concept can bring along a variety of competitive advantages, such as enhanced access to capital and markets, increased sales and profits, operational cost savings, improved productivity and quality, efficient human resource base, improved brand image and reputation, enhanced customer loyalty, better decision making and risk management processes.

OBJECTIVES OF THE STUDY
1. To understand the concept of CORPORATE SOCIAL RESPONSIBILITY
2. To explore recent trends in CORPORATE SOCIAL RESPONSIBILITY
3. To understand the challenges in execution of CORPORATE SOCIAL RESPONSIBILITY

RESEARCH METHODOLOGY
Looking into requirements of the objectives of the study the research design employed for the study is of descriptive type. Keeping in view of the set objectives, this research design was adopted to have greater accuracy and in depth analysis of the research study. Available secondary data was extensively used for the study. Different news articles, Books and Web were used which were enumerated and recorded.

REVIEW OF LITERATURE
Uvais and Cholasseri (2013) found that the potential benefits of the business – the scale and nature of the benefits of CSR for an organization can vary depending on the nature of the enterprise, as a result it is difficult to quantify. Business solutions are often revealed with the smooth functioning of the philanthropic means. The correlation between social performance and financial performance often originates CSR. Corporate Philanthropy a result that creates charitable efforts to improve their competitive context along with the quality of the business environment.

CSR moulds in creating a share value with the formula of corporate success with social welfare. CSR dimensions are formed under the foundation of Human capital, natural capital and the environment. Its dimensions involve because of related marketing, promotion, socially responsible business practice, corporate philanthropy and corporate social marketing.

The essence of CSR lays on the investing part of the profit beyond business for the larger good of the society.
Maon et al., (2009) what is needed is that firms must build their corporate values to create an organizational culture that is receptive to change and can sustain a corporate social responsibility strategy over the long run.

Lewis (2003), suggested that society values, new business opportunities, reduced regulatory interventions, customer satisfaction, firms’ reputation, and better stakeholder relationship are acting as different driving forces that are motivating business firms for the implementation of CSR initiatives.

Six Reasons Why CSR Matters?

1. CSR makes money sense.
2. CSR saves cost.
3. CSR engage customers.
4. CSR attracts employees.
5. CSR enables better branding.
6. CSR encourages innovation.

CSR Generations

First Generation
Conflicts between companies and communities

Second Generation
Hazards of industrial production

Third Generation
Urbanization and liberalizations

Five Phases of CSR

CSR has been informally practiced in ancient times in form of charity to the poor and disadvantaged. Indian scriptures have at several places mentioned the importance of sharing one’s earning with the deprived section of society. We have a deep rooted culture of sharing and caring.

- The first phase of CSR was driven by noble deeds of philanthropists and charity. It was influenced by family values, traditions, culture and religion along with industrialization. Till 1850, the wealthy businessmen shared their riches with the society by either setting up temples or religious institutions. In times of famines, they opened their granaries for the poor and hungry. In 1900s, the industrialist families like Tatas, Birlas, Modis, Godrej, Bajajs and Singhania promoted this concept by setting up charitable foundations, educational and healthcare institutions, and trusts for community development. It may also be interesting to note that their efforts for social benefit were also driven by political motives.

- The second phase was the period of independence struggle when the industrialists were pressurized to show their dedication towards the benefit of the society. Mahatma Gandhi urged
to the powerful industrialists to share their wealth for the benefit of underprivileged section of the society. He gave the concept of trusteeship. This concept of trusteeship helped in the socio-economic growth of India. Gandhi regarded the Indian companies and industries as “Temples of Modern India”. He influenced the industrialists and business houses to build trusts for colleges, research and training institutes. These trusts also worked to enhance social reforms like rural development, women empowerment and education.

- In the third phase, CSR was influenced by the emergence of Public sector undertakings to ensure proper distribution of wealth. The policy of industrial licensing, high taxes and restrictions on the private sector resulted in corporate malpractices. This led to enactment of legislation regarding corporate governance, labor and environmental issues. Still the PSUs were not very successful. Therefore there was a natural shift of expectation from the public to the private sector and their active involvement in the socio-economic growth. In 1965, the academicians, politicians and businessmen set up a national workshop on CSR, where great stress was laid on social accountability and transparency.

- In the fourth phase from 1980 onwards, Indian companies integrated CSR into a sustainable business strategy. With globalization and economic liberalization in 1990s, and partial withdrawal of controls and licensing systems there was a boom in the economic growth of the country. This led to the increased momentum in industrial growth, making it possible for the companies to contribute more towards social responsibility. What started as charity is now understood and accepted as responsibility.

- The fifth phase include period of post liberalization and corporate citizen. The benefits of science and power lead to stress and strain. Such social problems cannot be solved by governmental action alone. The UN Human Development Report of 2003 noted that India’s expenditure on basic education, primary health care, child nutrition etc is very low and it will have to find other avenues for additional resources for the purpose. One such avenue is Corporate Sector. Though corporate social efforts can never substitute the role of the state, its value lies in providing plurality of funding and its quality of support- innovative, flexible and direct consequence.

**Trends**

- The government has identified 10 major areas including education, gender equality, environment, national heritage and the Prime minister Relief fund where India Inc can spend to claim credit for the mandatory 2% Corporate Social Responsibility (CSR) expenditure.

- Under the new Companies Act, mid and large companies have to spend 2% of their three-year annual average net profit on CSR activities.

- The activities which can be included by companies in their CSR policies include: eradicating hunger, poverty, malnutrition and promoting preventive healthcare, promoting sanitation and availability of safe drinking water, promoting education, promoting gender equality, ensuring environmental sustainability, protection of national heritage.

- Under gender equality activities related to empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day-care centers and similar facilities for senior citizens and projects on reducing inequalities faced by socially and economically backward groups have been included.

- Spending on training to promote rural and nationally recognized para-olympic and Olympic sports would also qualify for credit under the CSR rules. Rural development projects and contributions or funds to technology incubators located within academic institutions and approved by the government would also be approved under this category.
it is mandatory for Central Public Sector Enterprises to allocate 2-3% of the PAT for the inclusive development of a backward district. (CSR and Sustainability guidelines by Department of Public Enterprises 2013). In which one key project has to be in CSR and the other in Sustainability for the development of the disadvantaged and marginalized communities.

Challenges

- Lack of Community Participation in CSR Activities: There is a lack of interest of the local community in participating and contributing to CSR activities of companies. There is lack of communication between companies and communities.

- Need to Build Local Capacities: Need for capacity building of the local non-governmental organizations as there is serious dearth of trained and efficient organizations that can effectively contribute to the ongoing CSR activities initiated by companies.

- Issues of Transparency : Lack of transparency negatively impacts the process of trust building between companies and local communities, which is a key to the success of any CSR initiative at the local level.

- Non-availability of Well Organized Non-governmental Organizations: It is also reported that there is non availability of well organized nongovernmental organizations in remote and rural areas that can assess and identify real needs of the community and work along with companies to ensure successful implementation of CSR activities.

- Visibility Factor: This apparent influence of gaining visibility and branding exercise often leads many nongovernmental organizations to involve themselves in event-based programs; in the process, they often miss out on meaningful grassroots interventions.

- Narrow Perception towards CSR Initiatives: Non-governmental organizations and Government agencies usually possess a narrow outlook towards the CSR initiatives of companies, often defining CSR initiatives more donor-driven than local in approach. As a result, they find it hard to decide whether they should participate in such activities at all in medium and long run.

- No Clear CSR Guidelines: There are no clear cut statutory guidelines or policy directives to give a definitive direction to CSR initiatives of companies.

- Lack of Consensus on Implementing CSR Issues: There is a lack of consensus amongst local agencies regarding CSR projects. This lack of consensus often results in duplication of activities by corporate houses in areas of their inter

- The shrinking role of government: Shrinking government resources, coupled with a distrust of regulations, has led to the exploration of voluntary and non-regulatory initiatives instead.

Case Study

As an industry leader and the world's largest software company, Microsoft has a responsibility to act as a good corporate citizen. Whether it is complying with local laws and regulations, demonstrating ethical business standards, mitigating risks to the environment, or protecting human rights, Microsoft is committed to being a global leader in corporate responsibility.

Microsoft: Mission and Values for India

At Microsoft, our mission and values are to help people and businesses throughout the world realize their full potential.

In India, as the country moves towards a leadership position in the global knowledge economy, Microsoft works closely with the government, the IT industry, academia and the local developer
community to partner in India's growth. Microsoft in India is focused on being a key IT partner to the Indian government and the local IT industry; enhancing India's inclusive development; and delighting users with transformative experiences.

**Microsoft CSR Initiatives and Activities**

- **Project Shiksha** – has so far equipped more than 741,000 government school teachers with IT skills, impacting more than 36 million students across the country.
- Every year 1, 00,000 people are certified through Microsoft Learning.
- Under Dreams park, there have been over 12 million free downloads of developer and design tools by students since 2008.
- 3,50,000 Indian students have registered for Imagine Cup since it started in 2003.
- Over 2,000 start-ups benefit from technology insights, software, tools, and opportunity mapping via the BizSpark program.
- **Project Kshamta** – 30,000 jawans trained since 2009.
- **Project Jyoti** - IT training for over 462,000 young adults, of which more than 70% are now in formal employment.

**Microsoft CSR Trends**

2012

- Microsoft Office 365 for Education Available Now, Gets High Marks from Schools
- Microsoft Employees in Hyderabad now Enjoy Connectivity on the Move
- CRM
- Microsoft Imagine Cup 2012: Bihar Team 'The D Labs' will Represent India in Worldwide Finals
- Microsoft Spotlights Opportunity Divide for Youth
- Microsoft IE and Lions gate bring 'The Hunger Games' to Life with Exclusive Movie Content
- Bihar Government Partners with Microsoft to showcase a Model of the School of Future
- Microsoft Collaborates with Accelerators Morpheus and Accel in India to Give Startups a Headstart
- Microsoft Releases SQL Server 2012 to Help Customers Manage 'Any Data, Any Size, Anywhere'
- Microsoft: Cloud Computing to Create Over 2 Million Jobs by 2015 in India
- Microsoft India Launches Dream Spark Yatra 2012
- Jawans Gain Competitive Edge Armed with Microsoft IT Certificates
- Microsoft Brings the Cloud Down to Earth for Enterprises

2011

- Microsoft India Unveils Accessibility Initiatives on 'Disability Day'
- Microsoft Dynamics Achieves 2000 Customer Milestone in India
- Microsoft Broadens Software Donation Program to Reach More Nonprofits and Communities
2010

- Grameen Foundation and Microsoft bring Microfinance Leadership Summit on Technology to India
- Microsoft Announces Roll Out of the New Partner Network in India
- Microsoft Research Collaborates With Wikipedia to Enhance Multilingual Content
- Microsoft Launches Lync, Ushers in a New Era of Business Communications
- Microsoft launches the biggest blockbuster game of the year "Halo®: Reach"
- Microsoft launches the Windows Multipoint Sever- Allows multiple students to share one PC
- Microsoft introduces an all new Windows Live Messenger and Hotmail that are fun, Social & provide a rich never-seen-before chat and email experience

2007

- Unlimited Potential – focused effort on education, innovation, jobs & skills – announced

1997

- Chairman Bill Gates visits India.

1990

- Microsoft sets up India Operations as Microsoft India Corporation (Pvt) Ltd. in New Delhi.

Microsoft CSR Challenges

The major challenges faced by business towards reducing the ‘digital divide’ existent within and amongst the countries of the developing world, including India can be identified as follows:

- Governmental barriers: arising from differences in forms of government and types of regime marked by excessive regulation in important spheres highlights the crucial issue of absence of good governance and requisite political will.
- Financial barriers: dependent on the level of economic development due to lack of adequate resources and the failure to avail of cost-effective technologies.
- Technological barriers: stemming from the non-availability of adequate infrastructural facilities.
- Social barriers: these are a result of the economic and cultural disparities between the elite minority and the vast majority.
- Cultural barriers due to educational disparities raise the crucial issue of how to make the educational significance of Internet and the consequent access to plethora of information relevant to the majority of the world populace.

Microsoft Collaboration with Clinton Foundation for Sustainability Development

In August 2006, President Clinton launched the Clinton Climate Initiative, a project of the Clinton Foundation, and announced a partnership with the C40 Large Cities Climate Leadership Group, a consortium of 40 of the world’s largest cities committed to fighting global warming.

Microsoft, together with a consortium of partners, will develop a single Web solution to allow cities to clearly understand their environmental footprint. With this information, cities can make better choices as they aim to improve their energy efficiency and reduce carbon emissions.
The Clinton foundation and Microsoft believe that technology can play a unique role in bringing people together to tackle the global environmental challenges that the world faces today. This collaboration aims to empower cities with relevant technology to address shared global environmental issues and to develop a suite of technology tools that will enable cities to accurately monitor, compare and reduce their greenhouse gas emissions. The technology will include both software and services.

The online tools to be developed by Microsoft and the Clinton Climate Initiative will provide these cities with a baseline and standardized measurement of their carbon emissions, as well as the ability to track the effectiveness of emission reduction programs and share best practices.

Ultimately, the new software will serve as a global standard for cities in their climate change accounting, mitigation and communications efforts. The completed measurement tools will consist of a multilingual, online and offline software service accessible around the world.

**CONCLUSION**

The common mistakes in CSR execution by companies are, lack of vision, non-participative management, no co-operation from employees and local communities. Therefore the companies should take the CSR activities as new innovations for them, and the activities should not be undertaken merely as publicity stunts because:

**CSR is about BUILDING TRUST**

- Trust in the brand
- Trust in performance of the product
- Trust in the company to “do the right thing”
- Trust in you as an employer

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