

---

## THE INFLUENCE OF CURRENT ECONOMIC TRENDS WITH REFERENCE TO CSR PRACTICES IN HEALTH CARE SECTOR, A CONCEPTUAL STUDY BASED AT INDIA

Prof Dr. T. J. Vidyasagar,

Professor & PhD Guide, MIT-World Peace University (School of Management-PG), Pune.

Email: dr.vidyasagar11@gmail.com, tj.vidyasagar@mitwpu.edu.in (official)

### Abstract:

Creating a strong Business and building a better world are not conflicting goals- they are both essential ingredients for long term success.- Bill Ford

“Businesses need to go beyond the interests of their companies; to the communities they serve”-Ratan Tata.

It is been evident that a lot of responsibility lies with the organized world, that means there is huge responsibility of People, Planet and Society on Corporate Sector which is a fastest growing economic factor contributing to all segments of Society at large, and massively contribute to Nations economy as such.

Here comes the role of Hospital and Health care sector , which is responsible for the sick society , so along with routine medical practice of providing Multi Specialty and Super specialty care/ services , one has to also consider the needy and downtrodden / i.e the sick society who cant afford basic living and care necessities, which leads to providing CSR activity as one of the branches of Hospital and Health care sector to provide Free Medication (Utility of generic drugs , Free Counseling, OPD- Out Patient Treatment, Sponsoring few who are under Emergencies and Critical Care, they must also provide sponsorship through the concerned Government to participate and invite Big Corporates to donate for the same, and provide a system of volunteering of Para medics and doctors to reach out to the needy ones as part of CSR initiatives.

Whereas the role of Economy is blooming and raising the bar year after years , but whether the unorganized growing in the same percentage – it is doubtful, hence intervention of CSR is Vital.

Further it becomes prime responsibility of Health Care sector to participate holistically, passionately to address the unorganized sick society at large.

**Keywords:** Corporate Social Responsibility, Sustainable Development, Social Psychology, Hospital and Health Care, Paramedics, Super-specialty, Multi-specialty, Organized and Unorganized, Imbalances of Society, CSR Initiatives, Corporate leadership, Sociology, Health Psychology.

### Introduction to Corporate Social Responsibility:

Corporate social responsibility (CSR) is a moral activity which is to be conducted by Corporates , doesn't depend on size of corporate i.e Small Medium, Large and Small Enterprises or Self employed professionals, the core idea is to reach the weak /needy society, sick society and the deprived, by possible means that can take care of education, medicine, food , shelter, counseling etc.

### Conceptual understanding of CSR:

Corporate social responsibility (CSR), social responsibility, business ethics and corporate governance are very broad terms. They are all interlinked to each other. CSR is very touching topic in the business world for a couple of years now. It focuses on how the businesses do their daily activities and connect with the society while following to the societal norms.

Referring back to decades there have been examples of large International Corporations contributing towards the welfare of the society like the **Rockefeller foundation**, the **Bill and Melinda Gates foundation**, **Azim Premji foundation**, the **Tata Trusts etc**. These people have shown the world that how the businesses can contribute to the welfare of the society and join hands with the concerned

governments to do so. Further Referring to Mr Warren Buffet , My Philanthropic Pledge : In 2006, I made a commitment to gradually give all of my Berkshire Hathaway stock to philanthropic foundations. I couldn't be happier with that decision.

Now, Bill and Melinda Gates and I are asking hundreds of rich Americans to pledge at least 50% of their wealth to charity. So I think it is fitting that I reiterate my intentions and explain the thinking that lies behind them.

First, my pledge: More than 99% of my wealth will go to philanthropy during my lifetime or at death. Measured by dollars, this commitment is large. In a comparative sense, though, many individuals give more to others every day. (Source:<https://givingpledge.org/Pledger.aspx?id=177>)

Further there is alarming rise in the unethical conduct of business practices by various business houses across the globe that had drastic negative impacts on the society, i.e uncontrolled pollution, garbage, industrial waste, effluents, toxic gases which are left open without proper treatment and management, and those who live nearby areas/slums, etc and severely effected leading to health /sickness and other related issues. All this has led to the recognize the role of concepts like the corporate governance, csr and business ethics.

CSR is not just about how the company gives back to the society but it is and should be inherently about how the businesses generate profits. They should follow the highest ethical standards while doing so. No human dignity should be compromised while doing business. The environment should not be destroyed while doing business.

#### Select Definitions:

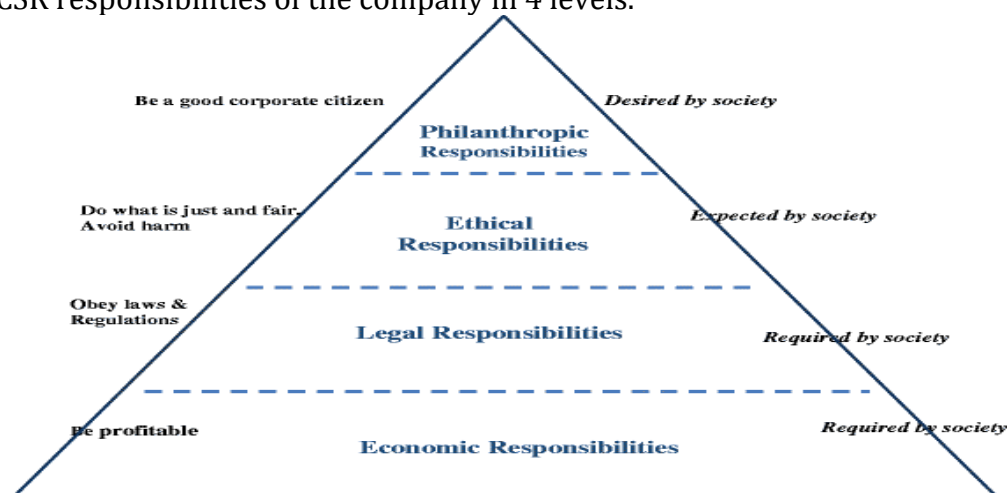
“Corporate social responsibility is the commitment of business to contribute to sustainable economic development. The purpose of CSR is to engage with the internal and external stakeholders. ” – **World Business Council for Sustainable Development (WBCSD)**

“CSR is concerned with treating the stakeholders of the firm ethically or in a socially responsible manner. The aim of social responsibility is to create higher standards of living, while preserving the profitability of the corporation.” – **Michael Hopkins (1998)**

“CSR is a concept supporting social control of business that resides and operates inside business itself, with the aim of protecting and enhancing the public welfare as well as private interests.” - **Logsdon and Wood (2002)**

#### Carroll's CSR pyramid

It divides the CSR responsibilities of the company in 4 levels.



**Figure 1.** The Carroll's pyramid of CSR

**Source:** Archie B. Carroll, “The pyramid of CSR: Towards the moral management of organizational stakeholders,” Business Horizons, July-August, 1991, p.42

### **Companies Act, 2013: The Role and Relevance of CSR**

The Indian government has made it mandatory for the companies doing business in India and earning a net profit of Rs. 5 crores or having a net worth of Rs. 500 crores or a turnover of Rs. 1,000/- crores to invest 2 % of their average net profit for the immediately preceding three financial years on corporate social responsibility activities. The government has also specified the broad areas for the companies to undertake CSR activities. These areas are hunger eradication, malnutrition and poverty, women empowerment and gender equality, increasing literacy , helping bridge the gap between the minorities and the society, promoting preventive healthcare, setting up homes for women, animal welfare, protection of national heritage and art and culture, etc.

**CSR Policies and Practices by Top Corporates:** (Referred for Educational Purpose only)

#### **Ford India (Leading Automobile Industry)**

Established in 1995, Ford India Private Limited (“Ford India”) is a subsidiary of Ford Motor Company (“Ford”), a global automotive industry leader. Ford India operates a modern, integrated manufacturing facility at Maraimalai Nagar near Chennai, which produces its award-winning range of products, including the Ford Figo, Ford Fiesta, Ford Classic, Ford Endeavour and Ford EcoSport. As part of its commitment to India, Ford India is building a state-of-the-art, integrated manufacturing facility in Sanand, Gujarat.

#### **Title and Applicability :**

Ford India has developed its Corporate Social Responsibility Policy (“Policy”) in accordance with Section 135 of the Companies Act 2013, and implementing CSR Rules.

This policy is applicable to all employees of Ford India at all locations, including at the Chennai and Sanand Plants.

#### **Objectives of the CSR Policy:**

The Policy applies to all CSR programme of Ford India to create a unified approach amongst all Ford India locations and to implement strategic, long-term initiatives under Operation Good Will/ Better World.

#### **Outlay**

In line with the Companies Act 2013, Ford India will contribute towards CSR initiatives at least 2% of its average net profits of the three immediately preceding financial years. For this purpose, “net profit” and “average net profit” will be calculated in accordance with the provisions of Section 198 of the Companies Act 2013.

Any surplus resulting from Ford India’s CSR projects will not be counted as business profits. Ford India may collaborate or pool resources with other companies to perform CSR activities. (Source: <https://www.india.ford.com/about-ford/community/csr/>, Ford India CSR Policy), Ford Community 2019 CSR Policy.

**Bajaj Group India (Top Automobile Industry – India),** (Referred for Educational Purpose only)

#### **Corporate Social Responsibility (CSR)**

Wardha is the land of prominent personalities- Gandhi, Vinoba and Jannalalji Bajaj. Once, Gandhiji has said about Jannalalji- “Jannalalji is the man of the people- a fisher of men who had the knack of gathering people around him and inspiring them with his idealism.? Very active during India’s freedom struggle, Jannalalji was a philanthropist who delighted in donating most of his wealth for worthy causes. From the beginning, Jannalalji was always more involved in social and philanthropic activities rather than business. Jannalalji made Wardha the centre for Gandhiji’s economic and social development programmes. He established the Satyagraha Ashram in Wardha in 1921. He brought Vinoba Bhave to the Wardha Ashram to nurture it into the national institution.

(Source:<http://www.bajajgroup.org/corporate-social-responsibility.php>)

---

With a view to commemorate the memory of Shri Kamalnayan and Shri Jamnalal Bajaj, the Bajaj family has constituted Kamalnayan Jamnalal Bajaj Foundation, (KJBF) towards fulfilling social responsibility and gratitude through continuous efforts for the cause of Social Economic development of the Society.? The vision of KJBF is, “Integrated development of the society through participatory approaches that sets benchmarks and standards for others to emulate for sustainable development? To fulfill the vision, KJBF has initiated number of development interventions in 200 villages of Wardha district from July 2009. The major emphasis is on integrated Water Resource Development and management, Agriculture development, Livestock development, women empowerment and training and capacity building through participatory approaches.

Kamalnayan Jamnalal Bajaj (KJBF) also aims to establish a Training and Livelihood Resource Center thereby to contribute for integrated and sustainable development of the rural community of Wardha district through participatory approaches.

### **Tata**

**Corporate Social Responsibility Policy of Tata International Limited ; (Referred for Educational Purpose only)**

#### **Corporate Social Responsibility (CSR)**

We firmly adhere to the Tata group philosophy of ‘giving back to society many times over’. We aim towards long-term value creation for the immediate environment we work in by providing infrastructure support, education and training, scholarships, support for local economies, and through sustainable partnerships with various stakeholders.

Our social responsibility in the geographies in which we operate is an extrapolation of our deep-rooted engagement with communities. A snapshot of initiatives we have undertaken is given below.

**Purpose & Focus Areas** Tata International Limited is aligned to the Tata Group’s core purpose of improving the quality of life of the communities we serve through long term stakeholder value creation. Enlarging the scope of Affirmative Action which gained positive momentum since 2009, through its CSR strategy, the company will continue to make need based, focused and exhaustive interventions in identified issues for the economically and socially disadvantaged sections of the society. Tata International will focus its CSR initiatives in localities surrounding its business operations especially in Dewas and Chennai, taking concrete steps in areas of:

1. Skill Development
2. Employability
3. Education

#### **Hospital and Health Care Sector – CSR Initiatives**

Apollo Foundation ; (Referred for Educational Purpose only)

**Being Socially Responsible;** The commitment of Apollo Hospitals to social responsibility and the pursuit of societal good through inclusive healthcare inspired us towards fulfilling India colossal rural healthcare needs. We focus on bringing quality healthcare within the reach of all people regardless of their geographic location or economic status. Apollo Hospitals aspires to be a socially responsible corporate citizen delivering superior and sustainable value to all.

In order to achieve this goal universally, we established the **Apollo Foundation**.

The vision of Dr. Prathap C Reddy, the Founder of Apollo Hospitals Group is what translates into the mission of the Apollo Foundation, which is, "to create meaningful interactions with people of our society, and help enhance their quality of life in every way we can."

We have always strongly believed in pioneering social initiatives that help surpass barriers and make a real difference. With an aim to upgrade the standards of healthcare across various regions, we have started several impactful programmes. **They cover:**

- Rural Development

- Healthcare
- Research in Healthcare
- Education, Skill Development and Vocational Training

In addition to this, Apollo Foundation also works extensively in the areas of Pediatric Cardiology, Cancer Care, Cardiovascular Risk Awareness, Hearing Impairment, Medical Awareness Campaigns, Distance Healthcare and Disaster Relief Programmes. With organizations like SACHI, The Billion Hearts Beating Foundation, SAHI, CURE, DISHA, REACH we aspire to make timely and quality healthcare available to all.

**Aravind Eye Hospitals** (Referred for Educational Purpose only)

**REPORT ON CSR ACTIVITIES IN FY 2018-19 Aravind Eye Hospitals** - The Govel Trust. a non-profit organization is running the **Aravind Eye Hospitals** at Madurai, Theni, Tirunelveli, Coimbatore, Coimbatore City centre, Pondicherry, Tuticorin, Tirupur, Udumalpet, Dindigul, Salem, Chennai and Tirupati. It was founded in 1976 by Dr. G. Venkataswamy as an eleven bedded hospital in a rented facility, with a mission to eliminate needless blindness by providing appropriate, compassionate and high-quality eye care to all. GIC Re have contributed approx. Rs. 2.73 cr towards their project.

**Reliance Foundation Hospital and Research Centre**

The 90- year old hospital has been re-developed by Reliance Foundation, under the visionary leadership of Nita M. Ambani into a world-class institution that will lead the city and the country in providing best quality healthcare. With its motto of “Respect for Life,” every life here will be treated with utmost respect, care and compassion.

The Hospital has partnerships with world class institutions of Johns Hopkins, MD Anderson Cancer Centre, Massachusetts General Hospital and the University of Southern California for a two way exchange of doctors, knowledge transfer, nurse training, visit of globally acclaimed doctors and access to latest technology developed by any of the institutions. The Hospital aims to set benchmarks for health care facilities in the country at par with the best in any advanced country. It has as its thrust areas, cutting-edge specializations in Oncology, Cardiac Science, Neuroscience, Urology, GI Science, Mother & Child and Orthopedics and Joint Replacement.

The Hospital will provide the highest standards of healthcare to everyone. Reliance Foundation’s outreach programme that has been proving doorstep healthcare to the underprivileged people around hospital’s seven kilometer radius, serving over 3.5 lakh people will be integrated with the hospital. The coverage of the programme will be further increased. (Source; [https:// csrbox.org /India\\_ CSR\\_Project\\_Reliance-Industries-Ltd-Hospital--Maharashtra\\_560](https://csrbox.org/India_CSR_Project_Reliance-Industries-Ltd-Hospital--Maharashtra_560)).

**LIST OF TOP 10 HOSPITALS IN INDIA (Referred for Educational Purpose only)**

1. AIIMS – ALL INDIA INSTITUTE OF MEDICAL SCIENCES , Delhi
  2. APOLLO HOSPITALS, Chennai
  3. FORTIS HOSPITALS , Gurugram
  4. Christian Medical College , Vellore.
  5. Tata Memorial Hospital , Mumbai
  6. Medanta Gp of Hospitals, Medicity, Delhi, Gurugram.
  7. PGIMER , PG institute of Medical Education and Research, Chandigarh
  8. Narayan Hridayalaya, Bangalore
  9. Lilavati Hospital , Mumbai
  10. JIPMER – Jawaharlal Nehru Institute of Medical Education and Research, Pudducherry
- (Source: <https://www.youtube.com/watch?v=FOk3CYPPYXs>).

### **The Unorganized Society:**

It is observed that many citizens who are under poverty line, economically weak and financially not sound enough to take care of sickness, medicines and counseling etc, i.e maid servants, private janitors, vendors, badli workers, child workers, real estate laborers, daily wage workers, agri workers, migrant workers Rag Pickers, private drivers etc, not able to afford a Medclaim or related facilities, how do they take care of themselves or related family members / dependents.

The unorganized sector in India is in some millions, they look forward to some CSR initiative to adhere to the needs or medical attention, all top medical units doesn't cover them, many may not even entertain the request for check up, since the Regn fees is high in many Medical centers, Private clinics is not approachable, Top Medical Units may have CSR polices in place and implementing it professionally well, but the ground reality is how many can approach them, travelling to distant places is not easy and becomes costly, it will cost daily bread and butter. Many don't even have a concern for their individual sickness, they are prone to serious diseases, recognize only when it grows it higher percentage, especially those in slum areas, hardly any NGO reaches them.

The unorganized sector also have high influence of Malnutrition, Exploitation, lack of education /awareness, and exposed to toxic food and related, sufficient care is needed to educate them and counsel them, how to maintain the basic hygiene and health conditions.

### **The CSR Initiatives:**

The CSR initiatives which lack reaching common people of unorganized sector is large in a place like India, it is visible from the policies and practices that corporate houses have participated and still continuing participating to extend help as far as possible, but the reality is many corporate houses and business which are developing and grown immensely have not taken a positive step to look back at the needy society.

Wrt the medical world and emergencies, top notch hospitals are participating and have sound CSR Policies and other social initiatives to deal with the needs and sick world, the concern is why Individual Hospitals and Clinicians are approach for such a CSR cause.

These underprivileged and needy once, suffer from mental sickness, high degree of Distress and related Stress disorders i.e anxiety, depression, frustration, burnout; here is where one needs care and attention while reaching out to them,

### **Few suggestions:**

1. Reaching out to needy and deprived/ locating who needs care
2. Diagnosing which issues are important/ which ones are chronic
3. Many Individual doctors / Medical experts can participate voluntarily.
4. Providing basic care / counseling as and when required.
5. Providing basic medications as and when required.
6. Providing financial aid or Insurance wherever applicable
7. Periodic review to check for the developments in these societies.

### **Conclusion:**

To conclude the unorganized sector needs attention not only through the big Corporates of any sector , this conceptual paper focuses on Health Care sector , since health and life of high priority for any Human Being,

Economic forces for any developing is changing very fast and vast and growing, but where is unorganized sector leading to in terms of affordability, to the growing demands of society in terms of dealing with poverty, employment , social security, education, safety and health needs, insurance, financial security for the old age and so on,

CSR policies have boundaries and are limited in nature, whereas the reality to reach such masses is human touch, and is an Individual responsibility and accountability, How reliable is the CSR practice when it cannot reach all concerned at one point in time, what type of research is actually needed to reach out to the right concerned, who is the funding and auditing agency, and what type of social leadership is needed to address the same.

Finally it is god created society for all to survive and sustain, then why few are deprived and many enjoy the life, why there is imbalance in human life, i.e some waste food and some go hungry everyday for days together, and some are even not aware of where sickness will lead to and on the other side Insurance sector is booming in stock markets, who is actually benefited, there are questions which needs to be addressed morally and ethically, finally whether CSR initiatives can do something at least, hoping for some positive outcome.

## References:

### Books:

1. C. V. Baxi & Ajit Prasad (2005) Corporate Social Responsibility: concepts and cases – The Indian Experience, 1<sup>st</sup> Edition, Excel Books
2. William B. Werther Jr. & David Chandler (2010) Strategic Corporate Social Responsibility – Stakeholders in a Global Environment, 2<sup>nd</sup> edition, SAGE Publications
3. Priyanka Kaushik Sharma (2005) Business Ethics & Corporate Social Responsibility – 1<sup>st</sup> Edition, Palgrave Macmillan UK
4. Istemi Demirag (2005) Corporate Social Responsibility, Accountability & Governance – Global Perspective , 1<sup>nd</sup> edition , Routledge
5. John Steiner, George Stenier(2011) Business, Government and Society, 13th Edition, McGraw-Hill Education
6. Jeremy Balkin(2015), Investing with Impact, 1st Edition, Routledge
7. Navjeet Sidhu Kundal(2019), CSR Concept, Genesis, Evolution & Practice, 1st Edition, Wolters Kluwer India Pvt Ltd
8. Dr Satyasiba Das(2016), CSR The New Paradigm, 1st Edition, Bloomsbury India

### Webliography:

9. [http://www.bajajgroup.org/bajaj\\_csr.php](http://www.bajajgroup.org/bajaj_csr.php)
10. <http://www.bajajgroup.org/corporate-social-responsibility.php>
11. <https://tatainternational.com/corporate-sustainability/community/>
12. <https://www.apollohospitals.com/corporate/initiatives>
13. [https://csrbox.org/India\\_CSR\\_Project\\_Reliance-Industries-Ltd-Hospital--Maharashtra\\_560](https://csrbox.org/India_CSR_Project_Reliance-Industries-Ltd-Hospital--Maharashtra_560)
14. <https://www.cims.org/corporate-social-responsibility/>

### Discography:

15. <https://www.youtube.com/watch?v=MBuTFjED9oM> , Ford Operation better world.
16. [https://www.youtube.com/watch?v=ikrCQZ1cz\\_E](https://www.youtube.com/watch?v=ikrCQZ1cz_E), Bajaj CSR 2019
17. <https://www.youtube.com/watch?v=CYvLyhlR6CY>, Inspiring a better tomorrow- CSR at Tata
18. <https://www.youtube.com/watch?v=jZHiWz4dkUM>, CSR and Apollo Hospitals
19. <https://www.youtube.com/watch?v=FOk3CYPPYXs>, 10 best hospitals in India.
20. <https://www.youtube.com/watch?v=V-GbT76zcDo>; the unorganized sector and social security
21. <https://www.youtube.com/watch?v=9iuX6PO7BLE>, Organised and Unorganised sectors.
22. <https://www.youtube.com/watch?v=S8vmkKyjT7g>, The next big leap in healthcare for rural India

Dr. Kanav Kahol | TEDxGateway