
A STUDY OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ISSUES & CHALLENGES IN AUTO COMPONENT INDUSTRY

Shashikant G Kurbetti ,

Fellow NIPM & Ph D Scholar, Dr. D.Y. Patil Vidyapeeth's,
Global Business School & Research Center, Pune

Dr Snehal Maheshkar

Associate Professor, D. Y. Patil Vidyapeeth's,
Global Business School & Research Center, Pune

ABSTRACT

Today organizations are engaging themselves in giving back to the society. They are broadening their vision to develop a healthy and wise nation along with the business. CSR initiative creates a significant impact on the society. This activity is carried through corporate engagement and partnerships. Organizations are realizing the importance of CSR initiatives and are actively pacing towards it. Various CSR initiatives are taken to serve the society as “CSR – A step towards empowering society through corporate engagement!” The research paper throws light on the process followed in Auto Component industry in Pune industrial belt. Based on the various practices adopted by major companies, the researcher has studied the current role of HR & its issues & challenges. This study will try to find out major areas of CSR in Auto Component industry. By understanding the proper areas of CSR, companies can bring company employee volunteers together & serve the society in a better way. It can motivate its employees to serve the nation as responsible citizen. This paper is purely based on the secondary data & responses from expert citizens which are reflected. Researcher has reviewed the available data, literature available & interaction with key people in organisation & society.

KEY WORDS: Environment, Society, stakeholders, auto components industry etc.

1. INTRODUCTION:

CSR is a thought of social and environmental issues in their business and interactions with their stake holders. Globally, such activities are a unit thought of Associate in Nursing essential half of “giving back to society” by company. Historically, several Indian companies concerned in welfare, but in previous couple of decades, company sector moving far from charity and welfare. they'll realize of concern of stake holders once they reach a stage of legal entity. the best challenge for an organization typically remains for officers to understand the necessity of CSR. In this direction, India's new CSR Act, Section a hundred thirty five underneath the businesses Act, 2013 came into result from April 01, 2014. so Asian country has become the 1st country to mandate CSR through a statutory provision. Government of Asian country has come back out with specific areas like promotion of education and rural sports, destruction of hunger and deficiency disease, heritage conservation and protection, setting property. This workshop is a trial to supply the information to trade professionals and academicians within the field of CSR.

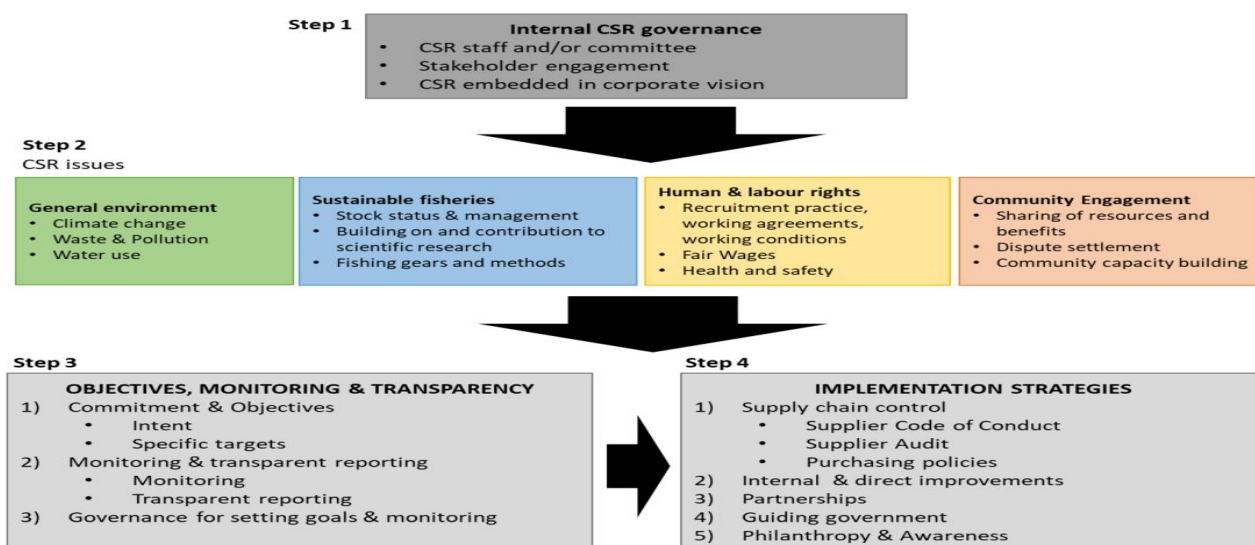
Company Social Responsibility (CSR) is Associate in Nursing moral business approach to satisfy social, environmental, property & ethical responsibilities to make sure that trade makes a positive contribution to society. CSR could be a journey to grasp however business will completely move with the stakeholders like investors, the area people, setting & workers.

Corporate Social Responsibility (CSR) has no more remained custom and not only large companies but even many SME's have a CSR policy with effective implementation. Although major companies have adopted the CSR policy, many still may view it as superficial spending towards “compliance”. However

enlightened companies are rethinking their CSR strategy and are now partnering with NGOs, the government, other companies and even competitors. Corporate, NGOs and Government and all other stakeholders are now actively focusing on the CSR as one of the effective platform for the nation building. In today's business environment, many corporate invest in CSR but very few are able to achieve the fullness of their desired impact and bring deeper alignment to the organizational purpose and values. Corporate Social Responsibility is the new way of Branding along with a social cause. Every employer wants to establish not only for the products and services but also as a Responsible Corporate Citizen. CSR acts as a powerful tool to connect and build employees and community to create a strong social connect. A good CSR initiative supports the Industrial relations, employee retention, and employee engagement with an organisation. With the amendments in Companies Act and the CSR Bill and changing strategies of Govt., CSR has seen with the different focus to invest for a right cause for right development.

Business is an essential part of the human life and community.

Organizations are contributing to the society in which they operate through Corporate Social Responsibility. CSR should be adopted by organizations as it is good for the business and not because it is a mandate. Very few industries advocates and upholds a noble cause. It will help to give back to the society and the stakeholders in an effective way. CSR can be one of the cornerstones of success for organizations if embarked upon proficiency.



LITERATURE REVIEW

Vaaland (2008), The purpose of paper was to look the CSR activities and with knowledge execute the CSR activities. The study on CSR is managed by tackling incidents, reduction of gap between stakeholders and company result and maintaining relationship with society through interaction.

Gond, (2008), created Associate in Nursing analysis of company about social performance construct. The analysis is analyzed on available researches and on the basis of the importance of company social performance analysis with the students. This paper advised models on the premise by the scientist. Further, scientist delineates some model that the scientist can utilized in their analysis associated with company social performance.

Truscott (2009), paper “The name of company Social Responsibility industry in Australia” in Australian promoting journal, supported case study methodology. The businessman discovered that

CSR has become vital. They views of CSR in financial, lawful role of business in society. Businessman viewed CSR as representation of company name.

Shah (2010), Case study is of public sector enterprise i.e. Asian country rock oil Corporation Ltd. in analysis job. This is based on relationship between the organization and society. The existence of each business is with its resources. They used the resources of the society & in turn the services are given to the society. The case study of the BPCL reveal, that company has taken steps to serve the society.

Mc William (2010) Here the importance of CSR is for enhancing reputation of corporations. They indicated that corporation's commerce product of CSR activities, ends up in shopper loyalty and income. The study shows the importance of advertising to customers about the financial activities. The study gives the importance of media to make customer aware about the actions through CSR.

2. RESEARCH METHODOLOGY

a) Research Questions (RQ)

1. Does CSR approaches lead to increase competitiveness of the company?
2. Whether company should understand the importance of CSR?
3. Does company give knowledge to the employee of Companies?

b) OBJECTIVES OF STUDY:

- To understand Role of HR in CSR
- To find out issues & challenges of CSR
- To offer the data the company Social Responsibility in the Indian context to professionals and academicians

c) Sample Design :

Descriptive Research method is used.

5. DATA COLLECTION

CSR - Methodology.

The Researcher is carrying out the research on CSR in Auto Component industry based on the available data. The data has been collected for the same & is in process of analysis using some statistical tools. This secondary data is collected on the basis of available data, literature & interaction with key people in organisation & society. Also collected from various previously available published sources like books, journals, newspaper articles and magazine articles. Internet was also referred to some extent.

- CSR strategy development
- Inculcating CSR culture through organizational diagnostics
- Social impact assessment
- Train the volunteers
- CSR awareness workshop
- Outsourced CSR
- Expert and experienced support

Due to company policy the name of the company is kept anonymous

CSR MEASUREMENT: How it is measured?

By Assurance process: This process has provided valuable insights to the Industries on how their thoughts and actions are perceived by their Employees, Society and Supplier-Partners. By Survey conducted through questionnaire responses & based on the outcomes of these surveys, industries have improved their business processes in order to enhance positive perceptions and commitment

amongst people. The Assurance process has been assisting the companies as they seek to engage employees more deeply in managing and benefiting from meaningful change. This Assurance Process seeks to capture people perceptions about CSR. After survey analysis is carried out on the basis of outcomes.

Survey: Company to ensure the statistical significance of the responses, administer the surveys and bring us an analysis of the results

Mode of Administration: In order to expand the reach and to make the process faster, the surveys is administered online, either on the internet or through company intranets. This system ensures complete anonymity by randomly allocating a unique system generated code for each Respondent. In some industries the survey is conducted by using the conventional pen and paper method

SURVEY OUTCOMES: The industry gets a report based on its needs, in about eight weeks from the survey roll out. The multi locational unit level report is made available after the entire cycle of surveys is complete

BACKGROUND OF STUDY-CSR INITIATIVES: CSR should be adopted by organizations as it is good for the business and not because it is a mandate. These activities help organizations not only to both give back to the society effectively and build goodwill for themselves, but also facilitate an active employee engagement initiative. HR Plays a very important role of coordinating & executing such initiatives.

1. Provision for imparting computer education in local schools;
2. Provision of providing bicycles on rent to girl students on a security deposit basis;
3. Provision of public toilets.
4. Provision of an equipped ambulance for road casualties. Or stationery Ambulance that would provide assistance on a call near the most accident prone areas
5. Road Cleaning up campaign in the entire city, install Garbage collection points all around city. Organise waste management programs
6. Cleaning & Development of Lakes including Landscaping, Erecting physical boundaries, Physically to be available to avoid the misuse of the public places, etc
7. Cleaning & Development of “Un-used water storage areas” into a proper Pond or Lake. Restoration & Reclamation of Water bodies/tanks.
8. Cleaning of Mula, Mutha Rivers. Cleaning of Khadakuvasal water storage areas.
9. Work with society on Implementation of “Rainwater Harvesting”.
10. Adopting villages & Conduct various programs, camps, etc on Health, Education, Hygiene, Environment related issues, Reduce, Reuse & Recycle of resources,..etc.
11. Road safety & Traffic Management to bring Traffic Discipline
12. Removal of Ploythene from Pune city.
13. Adopt schools in the villages around the city which are merged with Pune, help in teaching through wives of Industry employees.
14. Knowledge sharing activity in and around the colleges in Pune
15. Health education to citizens
16. Art of Living / Stress management campaign
17. Road Safety campaigns: Do’s and Don’ts while driving on the road, Assist Traffic police.
18. Spread awareness on Environmental concerns
19. Save water: Promote Rain Water Harvesting.
20. Fuel saving campaigns through promotion of public transport.
21. Plant trees in the newly coming up colonies in and around the city.
22. Collect and distribute winter clothes to the poor, downtrodden and needy in around Pune.

23. “Helping Hand”. BLOOD DONATION : This is a way of creating a running fund from the donation of employees to help some of the charitable acts in the nearby area
24. Pulmonary Function Test Camp
25. Woman Empowerment by providing suitable jobs, Bachat Bank

CSR INITIATIVES

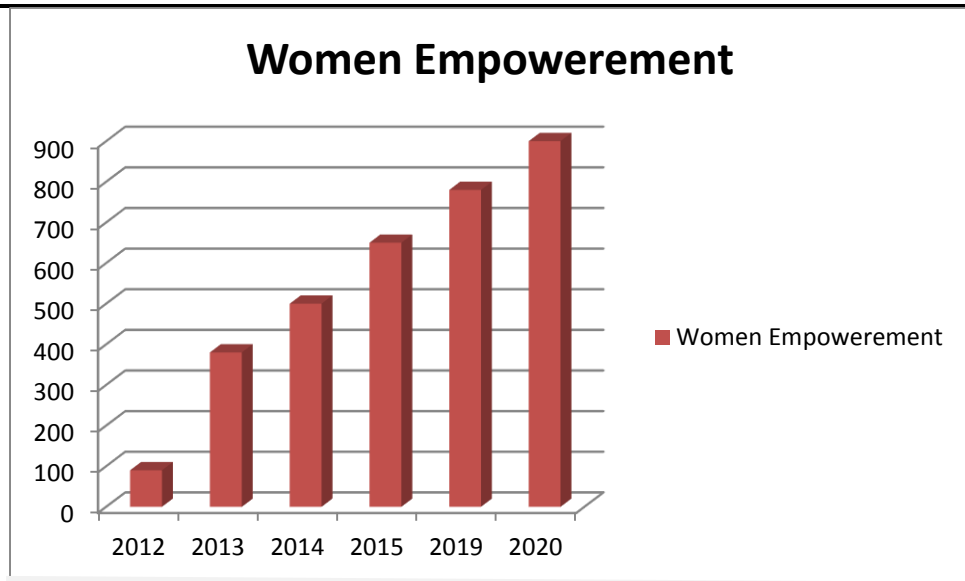
SAFETY TRAINING - Mock Drill & Rescue Drill

CSR- Celebration Road Safety Week with Highway Police



CSR - Women Employment in Wiring Harness industry –





Graph 1.A key social responsibility under taken within women empowerment in the work force.

These activities help organizations not only to both give back to the society effectively and build goodwill for themselves, but also facilitate an active employee engagement initiative

6. DATA ANALYSIS AND INTERPRETATION:

CSR refers to a set of policies and practices of a corporation that interlinks various stakeholders and the communities concerned. Further it represents the commitment of the business towards property and progress. Amongst the various ideas ‘corporate citizenship’ is one which builds organization to recognize the rights and responsibilities for profit maximization.

However, still scope exists to define the CSR, its elements

SOCIETY INVOLVEMENT:

Corporate community involvement is another of CSR. It is related to the initiatives of companies to maximize the result of their investment of people, finance, time, products, work and resources used for communities.

It communicates to improve the brand name and do value addition in society at global level for business and industry safety & welfare.

CSR - Free Eye Check-up camp at Village

CSR -For Society MAHILA BHACHAT GAT BANK



Promoting good physical condition:

The activity is carried for setting health advancement within the industrial nations and develops interest of business to play as a partner for health development and improvement. Non- public sector businesses play a predominant role in world economic development and to handle social and financial problems.

As seen from the statistics a healthy setting ensures a lot of productive work culture, reduced wastages and higher investment opportunities of CSR initiatives advantages to the companies within the longer run.

Additionally, international coverage initiative suggests disclosures that helpful in drafting CSR reports. These disclosures represent:

Economic disclosure: This involves the impact of corporate on economic aspects of the stakeholders at local, state and at worldwide situation.

Ethical disclosure: It enlightens the company's code of conduct, values, standards.

Social disclosure: It explains about the impact created by the corporate on the society

After Bharat emerged because the 1st country to create it necessary then other nations have recognized the requirement the importance to give back to the society.

Lawyers, CAs and different professionals need to look auditing, funding, and impact assessment are the areas in CSR initiatives to address the problems.

7. CONCLUSION:

The success of CSR in any trade depends primarily on the initiative & dedicated support of its workers. There is the \$64000 backbone to require forward CSR activity endlessly & build success effectively. If the workers don't perceive the importance of CSR, it'll be tough for the trade to serve the society & build the aim prospering.

There will be an opening of gap between the trade & society & generally tough to induce the support from the society for industry's peace & prosperity. it's seen if the workers of neighboring trade square measure happy with their infrastructure of colleges, water, medical, transport, safety & Hygiene, etc. then they're happy & can contribute in an exceedingly higher thanks to win the target of the trade.

Industry to bring modification from profit orientation to growth with social responsibility" time unit Managers can frequently be needed to guide, support & act an instructor of workers & society representatives for the effectiveness of CSR to serve in an exceedingly higher approach.

Good & significant CSR can take the trade in venturing into international markets

8. DISCUSSION:

MAJOR ISSUES & CHALLENGES: Industries need to be vigilant about the issues & challenges faced by members of certain social strata.

1) **Lack of Understanding:** It is observed employees don't have proper knowledge, impotence of real CSR & its impact on society.

2) **Attitude:** Lack of socialization/support is another issue for CSR development. People don't come with positive attitude & work for non profit motive. The absence of consistent relationship between society & organisation found for making social activities.

3) **COMMITMENT:** Social acceptance of people & organizational commitment fulfillment is a major issue in handing CSR. Success of CSR largely depends on optimistic nature of employees towards his assigned task of CSR.

4) **APPROACH:** Employees prefer to adopt separate approach to live & enjoy in comfortable life than to go for painful, hard activity & work in different environment. They don't take interest to work in society & prefers to be aloof.

5) COOPERATION: It's not the Management or HR alone who cannot make CSR successful but society should also take ownership & lead to make CSR successful.

These challenges need to be addressed by all the stake holders of the society. Corporate organizations can play a pivotal role in this as a major stake holder. This can be done by initiating various activities falling under the realm of CSR.

RESEARCH OUTCOME: In order to motivate industries to carry CSR initiatives, professional bodies like MCCA, DMC, etc are evaluating the competitive CSR performance, conducts assessment & gives recognition & awards.

CSR MOTIVATION: Recognition & Awards

- Best Corporate Social Responsibility Practices
- Best Environment Friendly Project
- Innovation in CSR
- Promoting Employment for the Physically Challenged
- Accounting for Climate Change
- Community Development
- Women Empowerment
- Concern For Health
- Best Use of CSR Practices
- CSR Leadership Award

Social Entrepreneurship Influence on the climate

In their solution to the big broad world, everybody needs corporations to be extra land.

However if one aspect is spoken communication but doing another, people may respond adversely to it.

- Care of little things, such as whether or not you use longer-lasting energy bulbs?
- Does it promote the recycling and livelihood of employees as they go?
- Are you dealing with vendors dedicated to an incompetent policy by the United Nations agency?

The unsafe truth is as the analysis by Sodexo reveals, only twentieth seconds clearly accept that their agency follows how much it endorses once it includes the company's safety and economic assets.

If you explain what the organisation has been doing and what you expect your staff to try to achieve on a regular basis, this would push the involvement of people at periods in each and every CSR approach that targets the climate.

Events for jobs and bonuses

Exhibition, though the enterprise is constantly investing, whether or not something is power or material or irrespective of both the emphasis. Bring this data to routine organisation conferences and set contests during this means for communities United Nations organisation change actions.

In doing so, you agree that on-going associate dedication is important once it requires ennobling employees to indulge themselves in some appropriate effort. Daily updates and rewards from workers would not hurt to keep the novice CSR programmes in sight. Construct fun and staff won't just think it's about generating currency.

Social responsibility: A Mega view

Why do you really have all this to do? Well the research clearly piles up, suggesting that CSR is a few items that the different functioning generations are being extra and especially critical. 85% of global consumers say that a business reacts to challenges and emergencies, but their view of the enterprise as a whole is a critical factor (Weber Shandwick). 40 percent of staff aged 45 and over also would like

to lean on more chances than they get at the moment to 'give back' to the city and broader society. 86% of staff interested in and in support of, their organization's CSR strategies at intervals, report they feel highly involved. Yeah, CSR will influence everything from the name of the affiliate company, all the means all the way down to the end. However these benefits will really fall apart only if the solution at room level is clear and sincere.

9. SUGGESTIONS:

- 1) **OPEN COMMUNICATION:** High Management & time unit ought to begin clear communication with its workers on periodic basis in straightforward language.
- 2) **BUILD CONFIDENCE:** High Management & time unit ought to devote longer with workers, give activity coaching to create them a lot of positive in their angle. This may facilitate to figure effectively & with higher results & work along in robust times additionally.
- 3) **WORK FOR EXCELLENCE:** Downside finding approach & cohesiveness will definitely bring Excellence while not compromise. CSR can produce smart complete image in society.
- 4) **CULTURE:** Produce CSR culture within the organisation. This may facilitate to hold result homeward activities.
- 5) **INVOLVEMENT:** CSR activity needs a high level of involvement of individuals. Management must inspire its workers.
- 6) **TRANSFORMATION:** produce transformational mentors for social development

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