Corporate Social Responsibility and Social Development: New Vistas of Social Work Practice in India

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ABSTRACT: Corporate Social Responsibility (CSR) is an emerging area of social work practice. The list of thematic areas, given under the seventh schedule of the Companies Act, 2013, is wide in coverage and is aligned with the government's development agenda. The business houses that have hitherto practiced the social development agenda in tokenism have been replaced by a more scientific and sustained approach. This changed approach required professionally trained social workers who could efficiently take up the task. This is because the values enshrined in the social work profession are very much related to the philosophical assumptions of corporate social responsibility. The present form of professional social work is bringing social workers closer to CSR initiatives of corporate houses because of their varied kinds of experiences, rich fieldwork exposure and training. Business houses seek the increasing role of NGOs in the development activities, and the social workers are appointed in the CSR department of the companies to ensure that the new approach shall usher in the right direction. In this paper, an attempt is made to discuss the common developmental goals of CSR and social development. It also highlights the roles social workers can play in CSR initiatives.

Keywords: CSR, social development, social work, business houses and NGOs

Right from the industrial revolution, economic growth is seen as the means for the nation's development. The production of goods and services is central to this economic growth; Hence the industry's role is significant in developing society. It has been found that companies are resorting to illegal methods and in the desire of profit, affecting the community and environment adversely. The case of Netherland-based company Shell, which was accused of remaining complacent to the killing of Ken Saro-Wiwa, a well-known Nigerian author and spokesperson for the Movement for the Survival of the Ogoni People (MOSOP). The Greenpeace protested against the company due to this reason. Torres, Garcia, Hordijk, Nguyen and Olup (2012) talked about four multinational companies, Apple, Canon, Coca-Cola and Walmart and how their style of functioning affected either their employees or the nearby environment. This style of theirs was opposed, and the case of CSR emerged in these companies.

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It is important to mention that CSR is understood in two ways: one as a business case to thwart the protest by the members of civil society and the other as the ethical responsibility of the company to work for the community in which they operate (Deswal & Raghav, 2014; Hill, Ainscough, Shank & Manullang, 2007). To clarify, one can examine the three-layered development concept defined by Hopkins (2007). According to Hopkins, the first layer wherein the corporations donate for a charitable cause, and the second layer, the country's development as a by-product of its business initiatives in that particular country. The third layer consists of sustainable and anti-poverty activities and the activities undertaken in the second layer. Hopkins has defined the activities under CSR, quite rightly, as it is the wider term and covers the business activities and requirements and doing more than that. Also, the implication of the case of CSR has become wider as merely providing job or welfare services to the employees does not count under the definition of CSR. Since the corporate houses have the wealth and power to sway the socio-political scenario, it can do wonders if it implements CSR activities with honesty and dedication. Removal of poverty, employment generation and sustainable development are the long terms objectives of any social development initiatives of the country that can be easily achieved if the entire society works in tandem. In this paper, the authors examine the increasing role of the social work profession in the development sector after the evolution of mandatory CSR through enacting the Companies Act, 2013.

CSR, Social work and Social Development

The present form of CSR in India can be traced to the Indian tradition of undertaking philanthropic activities. Presently, the Western countries have influenced the systemic planning of CSR, but the values and moralistic locus of CSR in India can be found in Gandhi's "Trusteeship." It is the concept given by Gandhi to emphasize that the wealthier sections shall see the larger good of society. According to Gandhi, the wealth kept more than one needs is to be held in the position of trust, and it shall be used for the poorer sections of the society. He drew the concept of trusteeship from the concept of "Nishkam Karma," which means working selflessly.

It is needless to say that CSR, social development and social work have many things in common. Social development has been an area of social work practice since time immemorial, and CSR activities are directed at achieving social development objectives. On the other hand, social workers have been trained to take developmental initiatives. The integration of various methods in social work and practical experience in the field make their understanding and approach to deal with social realities more enriching, from their student life itself. It gives them sensitivity and understanding of the requirement of different sections of the society, who are facing precarious situations in one form or the other.

The Globalization era in the financialized world brought the world economy together at a common platform, which also demands changes in the social services and social work has become flexible enough to address the changing scenario appropriately. Bhatt (2016) stated that globalization had brought various changes in the needs and priorities of society, and the social work profession has changed its priority accordingly. Further, Bhatt (2016) argued that global events affect all the countries globally, and India is no aberration. So, the social work profession has changed itself according to the global issues affecting the people at the local level. He also focuses on the fact that the mandatory provision of CSR is significant in the present context, and

many developmental organizations will look up to the Corporates for their support in their developmental efforts. He also believed that many social work schools are integrating CSR into their course curriculum to equip the budding social work professionals in this new practice area.

The other prominent social work educator in India, Verma (2016), emphasized the interdependence of society and business. According to him, interdependence is evident, as society requires goods and services, and business requires the market to sell its products and services. Further, Verma (2016) stated that business does not exist in isolation, and it depends on society for its survival. It requires producing goods and services demanded by society and making a profit to keep business viable. However, it does not licence the business house to evade its obligation towards society, and this obligation does the business increase its reach to all the stakeholders like community, employees etc. Verma (2016) also mentioned that the philosophical base of social work and CSR is common, making them closer to each other and keeping the social worker on the added advantage compared to other professionals.

It is essential to understand that the activities enlisted in the VII Schedule of the Companies Act, 2013, have been aligned with the nation's developmental goals (Kumar, 2014). Due to their rich experience in the developmental field, the social workers make them more suitable than any other professional for undertaking CSR activities. Now, companies have also been realizing it. Therefore, they have started recruiting social workers into their CSR department. Some CSR departments are headed by trained professional social workers, which clearly shows that the companies have recognized the significance of having a trained social worker.

Social Development and Corporate Social Responsibility

Social development conceptualization has been dynamic. Gore (2009) defines Social Development as "the concept of social development is inclusive of economic development but differs from it in the sense that it emphasizes the development of the totality of society in its economic, political, social and cultural aspects." This definition mentions that the term social development is not limited to the social aspect only, but it also includes political, cultural and economic aspects. A society can prosper if all its members do well in their lives and have access to the resources. It requires that each member of the society shall be given opportunities, and the barriers in their development should be removed. Also, political emancipation helps an individual partake in society's activities freely and work for the better of his own, family, and society at large. Therefore, the economic, social, political and cultural aspects must be considered.

Domlnelli (1997) enhances the term social development 'conceptualized, interpreted, and traced through different authors' lenses. Some consider it related to modernization, while others think it is an investment. Domlnelli (1997) says that as a social worker, social development is "a dynamic way of organizing resources and human interactions to create opportunities through which the potential of all peoples - individually and collectively - can be developed to the full." It is envisaged that social justice shall not be left behind in the greed of getting economic prosperity. According to this definition, people are more prominent than anything else, and the resources are to be used to increase the potential of people either individually or in a group so that they will prosper to their capacity. Further, she says that the social development must embark on ensuring certain minimum rights to people such as the fulfilment of basic minimum requirements (food, cloth and shelter), public hygiene (pollution-free environment, clean potable drinking water),

health care, educational and employment opportunities, health-supporting environment, personal social service and recreation. It is important to note here that certain minimum requirements are needed to be fulfilled, as these are vital to ensure the growth and development of people.

International Institute of Social Studies (n.d.) states that social development means a change in social institutions to create an inclusive society, wherein no one shall be discriminated against. Indices of social development emphasize the working of informal social institutions to understand how they bring cohesion amongst the people. The institute has organized social development indices into six groups:

- *Civic activism* means adopting those practices and norms that ensure people's participation in policies and decisions affecting them. Space for dissent in a lawful manner shall be allowed in this sphere.
- *Clubs and associations* utilize the data to locate the people's involvement in social networks and their interaction patterns in community life.
- *Inter-group cohesion* depicts inter-group relations within the society that determines the cohesiveness or conflicting situation in the society.
- *Interpersonal safety and trust* identify the confidence and level of trust among individuals, especially those who do not know each other.
- *Gender equality* determines the status of women in society, especially in the social, economic and political sphere of life.
- *Inclusion of Minorities* means stopping discrimination against religious minorities, tribal and indigenous peoples, stateless and refugees.

The social development places the well-being of the people and the community central to the nation's development. By this conceptualization of social development, social work and CSR have a significant role (Gore, 2009). India has been confronted with many problems in the changing political and economic scenario. Problems like poverty, unemployment, environmental degradation, economic deprivation, discrimination and marginalization, social disorganization have been the area of common concern for social work and social development.

The CSR is envisaged to supplement the state's role in nation-building. Since social development is a collective effort, it requires all sections of society and corporates to be alienated. Their existence completely hinges on a well-to-do society, wherein people should have the capacity to pay for the products and services offered by them. On the ethical front, CSR must be undertaken by the business houses.

Sarkar and Sarkar (2015) CSR is related with the direct (workers, shareholders, customers, suppliers etc.) and indirect (community and society) stakeholders. The concept of CSR progressed into four phases that clearly show that it was initiated as a voluntary activity wherein donating was in vogue. Later, it developed and became systematic to help people with a long-term perspective. Jain (2014) and Kumar (2014), with the enactment of the Companies Act, 2013, the government has institutionalized it and made it an integral part of the main business plan. So, the business houses abandoned the ad-hoc measures of doing CSR. Now, they seek it to be undertaken more scientifically and planned.

Varottil (2018), Kapoor and Dhamija (2017) and Kumar (2014), the Government of India, mentioned, through the legal provisions, the companies covered under CSR. According to the

provisions of the Companies Act, 2013 given under section 135, a company having a net worth of Rs 500 crore or more, or a turnover of Rs 1000 crore or more, or a net profit of Rs 5 crore or more in any financial year is required to spend at least 2% of the average net profit earned during the three immediately preceding financial years. Varottil (2018) and Gatti, Vishwanath, Seele and Cottier (2018) this clarity is essential as the company will get to know whether it is covered under the provisions of CSR or not. It also helps them know the minimum amount to be spent on such activities. These provisions have ensured that CSR activities are becoming an integral part of the business plan.

The other important features of the provision are: to constitute a Corporate Social Responsibility (CSR) Committee of the Board comprising of three or more directors, out of which one shall be an independent director; the Board is also required to inform about the composition of the CSR committee in its report, as specified in subsection 3 of section 134; the CSR committee shall formulate and recommend CSR policy to the Board, which may approve the same; it is also mandated to recommend the activities to be undertaken and allocation of the budget on each activity; it is the responsibility of the committee to monitor the CSR policy time to time; the Board shall ensure that the activities as mentioned in the Company's CSR policy are undertaken by the company preferably in the vicinity of their area of operation and; if the company fails to spend such amount, it shall give the reason for the same in its report (Ramesh & Mendes, 2015).

The broad areas mentioned in the schedule-VII convey the intention of the Central Government and its commitment to national development. It also shows that the government wants the fruits of development to percolate down to the weaker and poorer sections of society. These vast areas give complete freedom to the corporate houses to plan their activities as per the needs and requirements of the community, where they have their business operations. However, the activities are to be undertaken within the broad contours defined in the seventh schedule of the Companies Act, 2013. The broad areas mentioned in the seventh schedule are covered under the social development initiatives undertaken by the development practitioners. Urban and rural development, employment to the rural and urban youth, vocational training, women empowerment, education of children, and environmental sustainability are the core areas of development practitioners. Presently, the government has been focusing on various developmental schemes like skill development, and swachhbharat and the corporate are making their bid to ensure that maximum funds are allocated to this endeavour.

CSR: A New Avenue for Social Work Practice

Social development has been a core area of social work practice. The domain of social work practice in education, women empowerment, social justice, human rights, protection of the environment, gender justice, protection of women and children, eradication of poverty etc. (Salman, 2019). In short, it can be said that the area of social work practice is very wide. Kumar (2005) viewed that social work has a large practice territory. It starts from very modest bedwetting among children to wider issues like sustainable development, human development etc. He also says that social workers accept the client as he/she is and respects his/her individuality. Siddiqui (2015) though restoration is understood as the objective of social work but improving the social functioning and human relation is also one of the main objectives of social work. The objective has been applicable in all sorts of situations. Kumar (2005) defines social functioning as

the ability of a client to live a respectful life in society by performing his/her major social roles.

Bhatt and Sanyal (2019) argue that the profession of social work had been through various changes, as it started with the welfare model, went through developmental approach and now the empowerment approach. Kumar (2005) states that earlier social welfare activities were undertaken by kings and other affluent and God-fearing people of the society. Later, in the nineteenth century, the state took responsibility for the welfare of the people. Further, the state has started limiting its role in the welfare of the people and responsibilities are shouldered by the voluntary organizations. The term voluntary was driven from Latin the word 'voluntas,' which means will or freedom. According to Sachdeva (1993),

"Voluntary organization's main functions comprise giving concrete expression to the fundamental rights of freedom of association, identifying the needs of individuals, groups and communities and initiating projects and programmes to meet them on their own or with the help of grants in aid of the government, sharing the responsibility of the state in providing minimum needs of the citizens, covering areas of uncovered or unmet needs preventing the monopolistic tendencies of the government" (as cited in Kumar, 2005).

This definition is quite comprehensive, wherein the author stated that voluntary organizations adopt a scientific approach. They first identify the community's needs and design the services accordingly so that the resources are used optimally. The community might need women empowerment, education, livelihood opportunities, and protection of girl child. After assessing, these needs may be expressed by the community or perceived by a trained social worker. This pondering over the issue and needs ensures that a scientific attitude is used whenever the social worker assesses the community's needs.

The other definition was given by IFSW (2014) as social work is:

"a practice-based profession and an academic discipline that promotes social change and development, social cohesion, and the empowerment and liberation of people. The principles of social justice, human rights, collective responsibility and respect for diversities are central to social work. Underpinned by social work theories, social sciences, humanities and indigenous knowledge, social work engages people and structures to address life challenges and enhance well-being".

The definition given by Bhatt and Singh (2016) is more comprehensive than the one given earlier. Also, it brings social work closer to CSR. It is being said in the definition that social work is a practice-based profession that the budding social workers start learning the field realities at an early stage, or one can say that they start learning since they get enrolled themselves into the social work course. Social development, social cohesion, empowerment are the words imbibed by social workers during their course study. The principles adopted by the social work profession make their position unique and bring them closer to the downtrodden people. Social work is a blending of practical and theory. Perhaps, the unique feature of the profession is that its emphasis on the hand on experience of the students of social work makes it distinct from any other discipline. So, the result is that when social work students graduate, they already know the field of practice and find themselves more comfortable in the seemingly new work-life environment.

The capacity to engage people in their well-being and enable them to confront life

challenges make them closer to the objectives to be achieved by the government through social development and CSR. This makes them more competent and equipped with the required skills than other professionals venturing into this area (Ross, 2009).

With diminishing support from the Government, NGOs have mustered other support so that the services are extended to the people continuously. The NGOs now do not depend only on the government's financial support. The most important aspect of the involvement of the NGO was that the services were provided easily without much hassle. People get service after a long waiting period in a government system, and they had to face red-tapes. However, in the case of NGOs, the condition was different. The NGOs are easily approachable, and they have a quick redressal mechanism in place. The people easily approach even the decision-makers. The corporates partnering with them, for the CSR initiatives, because of this closeness of the NGOs with the people

The commonalities that bring CSR, social development and social work together are:

1. Dignity and worth of every individual of the society: The individuals are unique, and each individual's way of doing things is different from the other. Their learning ability and attitude are different. Social work and CSR respect the individuality of any person.

2. Focus on the development of individuals, groups and communities: The activities undertaken in CSR are for the development of individuals, groups and communities. Social work, CSR and social development also focus on the same.

3. Marginalized sections are primarily focused: The development and empowerment of weaker and marginalized sections.

4. Responsibility towards society: Every member of society has a responsibility towards their family and society. The more benefit you draw from society, the more your responsibility towards it becomes. Therefore, CSR is also a responsibility to cater to the needs of society. Social development is the manifestation of the same responsibility.

5. Improvement in social functioning: People cannot achieve in their lives if their social functioning is adversely affected. Through their CSR initiatives, corporations make efforts to improve the social functioning of individuals. Moreover, it is needless to say that improving the social functioning of individuals is one of the important objectives of the social work profession.

6. Integration of national development goals: National development goals are meant to ensure the creation of a just society and extension of the developmental opportunities to each section of the society. These developmental goals are cherished and supported by the initiatives of CSR. The social work profession also endeavours to promote these cherished national development goals.

7. Supporting the government initiatives for development: The government has been running and supporting schemes for the welfare and development of the various sections of society. The present form of CSR is mooted to support and supplement the government roles. Social workers have been engaged with the government and even implemented these development schemes.

8. Sustainable environment: The rampant exploitation of natural resources and degradation of the environment by the corporates has brought us to the point where legal measures are enacted to curb environmental degradation. The discussion on sustainable development is the manifestation of the same. Now, conscious corporates have been endeavouring to curb the pollution of the environment. They have also been engaging with the NGOs for this task.

9. Partnership with NGOs: The corporates partner with NGOs to implement the CSR initiatives. They have been seeking expert guidance and skilled human resource, which social work can provide, to implement their CSR initiatives. Though sometimes they undertake these initiatives in conglomeration or through their foundation or CSR department, many corporates cannot replace the role of voluntary organization.

10. Integrated use of social work method: The methods of social work like casework, group work, community organization and research have traditionally been used by social workers, but now they have been adopted by the corporates as well. Through community organization and group work is extensively used in CSR initiatives, but the casework method also has been used by corporates in their operations. Research is also being extensively used to gauge the efficacy of CSR programmes.

11. Engagement of social workers and NGOs by corporate: The social workers are appointed in the corporate houses to plan and design the company's CSR activities. Also, the corporate partner with NGOs for the implementation of CSR initiatives.

Conclusion

CSR has been gaining prominence day by day. Apart from providing developmental services to the society, especially weaker and poorer sections, it provides good employment opportunities. CSR is necessary for the present context because of the shrinking government and foreign funding. Major focus areas under CSR are Health, education, women empowerment and skill development. Social workers get into these fields from the day they enter the profession. They learnt the nitty-gritty of the issue and decided the most appropriate to tackle the situation.

Social workers have already been recognized in the industry and appointed to the labour welfare office. Now, their role has been crossing the industrial set-up's boundary and reaching the community, existing in the vicinity of the project area.

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