

Corporate Social Responsibility and Sustainability in Social Perspective

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Abstract

Sustainable development has become a vital part in the formulation of strategy building. The term corporate social responsibility was realised as to be an assumption for propagating sustainable development in the business environment. With the help of CSR, companies can illustrate preeminent exercises focused on organization process on these human entities, which are a vital part of the realized practices. In terms of the enterprise, commencement impinges on building up the relation between workforces, constructing the confidence level, and put into practice voluntary acts such as giving space for personal development and verifying it judiciously and relative to qualification skill compensation. The purpose of this research paper is to make a distinction about the best practices that are implemented by activity businesses for betterment and development of both internal and external stakeholders in the business environment. The evaluated ways concern facets such as place of work, practices by the employees, rights of staffs, administration and staff governance and considering the information within a stipulated timeframe. This paper focuses on the ability that business needs to adapt for bringing out the change in the macro environment and existing trade and industry, political and community challenges through CSR has been demonstrated.

Key Words: *Sustainable Development, CSR, Social Sustainability, Best Practises, Standards¹*

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1. Introduction

The term sustainable development has become an element for researchers and a never-ending topic of discussion. The key determinants of sustainability have new factors based on the aspects of social, economic and environmental. The goal of sustainable development is to hold up life in all its diversity by creating a balance between health and affluence by means of social impartiality and preserving the earth's competence to support life. The assumption in building up an economic model is based on the assumption of forming conscious relation between life standard, economic growth and ecosystem. The micro approach of attaining sustainability in business commotion is termed corporate sustainability. It can be defined that business sustainability is the implementation of company's stratagem and actions meeting the need of the enterprise and its stakeholders nowadays despite the fact that shielding, nourishing and enhancing the natural resources for the future generation (Babbie,2001). The purpose of this research paper is to bring out the best practices used as a mechanism for corporate social responsibility. This study explores the best practices implemented in the companies that comprise of the different departments, logistics, transportation, trading, services, fuel and energetic. The practices of attaining sustainability in the social aspect of business activity involved in rights of the employee, organisation order, and place of work, share market, neighbouring commune and business management. This research considers both theoretical and empirical part for analysing the best practices in the present business environment (Collins, 1993). Theoretic field concerns definitions of sustainable development, corporate social responsibility and CSR standards. Research part pertains to best practices analysis using own model procedure.

2. Challenge for Sustainability through Corporate Social Responsibility - Company's Reaction

The terminology, social responsibility can also be referred to as corporate sustainability as on required. The conception of CSR is determined on existing business and comprises various philosophies and the state of achieving sustainability is done through a set of tools. The longtime growth in the company's value is achieved through the practice of CSR. The atmosphere required for practising corporate responsibility look for

synchronising economical, ecological and social areas (Cooper and Schindler, 2001). The other approach of defining this is by believing in the principle of 3P rule, which means People-Planet-Profit. It becomes unfeasible to describe CSR topic in a comprehensible approach since it has a many-sided character (Crane, Matten, and Spencer, 2008). The most acknowledged elucidation delineates CSR as “activities time-honoured by the companies’ stakeholders and resulting in the conscious output of the activities, that the local community have been carving for. With reference to this definition, stakeholders have been nominated as the most vital part of the conception and specify their behaviour as moral and etc. There are various groups that have really stated the role of CSR in the field of sustainability (Dawkins and Ngunjiri, 2008). These groups are ISO Institution, United Nations Development Programme, and World Business Council for Sustainable Development and European Commission. The review in table 1 helps clear the lack of solidity about CRS that would result in pandemonium. The review in table 1 assists to categorize elements, such as the integrated move towards sustainability facets, an approach for social growth and collaboration through stakeholders. CSR connotes practising ethical behaviour in the operation of the business, construct local communities and build up the infrastructure of the wellbeing of the society. The level of social confidence indicates the success in the conception of CSR (Hilb, 2006). The cooperation between the stakeholders and the business activity is specified by a higher level of confidence. The implementation of CSR assumptions brings out profits for the business along with the community attached. It promotes building up a welcoming societal climate, which upholds sustainability development.

2.1. Social Sustainability

The three facets namely, economic, ecological and social are majorly given priority in the area of sustainable development. In several cases, social sustainability is considered as an element of “secondary importance”. This is because environmental movements have been considered as the major construct for the genesis of sustainability. Moreover, it has been observed that the decision makers give more priority to economic and environmental sustainability leaving social sustainability at the back seeing that there is “something very challenging about the social dimension” (Holmstrom, 1997).

The role of the social dimension in sustainability development plays a distinctive character as compared with other dimension as pointed by researchers. The major proportion of the subjective factors as compared with other sustainability dimension is included under social dimensions. Despite the referred peculiarities, the literature review consent to examine several transformations as in recent times social sustainability have begin to create a centre of attention on a business level. The survey in the context of social sustainability explored the manufacturing industries referred as SO SMART (Socially Sustainable Manufacturing for the Factories of the Future) project. With reference to the survey it was perceived that the environmental and social dimensions were less relevant as compared with an economic dimension, but the level of awareness was high for this topic (Jensen, 2001). Therefore, social sustainability achieves its importance and possibly will be of assistance to the European Union in developing a smart, sustainable and comprehensive economy (SO SMART, 2014). It is often argued that the social dimension is apprehensive about the impact of developing sustainability by operating in a social system by considering relationship building among various stakeholders. It is basically about mitigating our needs and wants and social sustainability illustrates how societies and, human beings reside. The two facets of social sustainability are social equity and community wellbeing. Thus, social sustainability is inevitable for the success of a business environment. It can be done by synchronizing the business environment with community development; therefore, CSR comes into picture (Irvin, 2002).

3. CSR Standards

The rule and regulation of adopting CSR have been guided by various emerging voluntary management standards like ISO 26000, Social Accountability standard SA 8000 and AccountAbility 1000. In the year 2010, an important norm was introduced under ISO 26000 for the betterment of business, local community and economy. It's not limited to CSR. As per these norms there exists a significant influence of organisation on societal development and their activities may have an impact on competitive advantage status, financier's attitude, employee attainment capability and their self-esteem and commitment. The European Commission has recommended three documents and ISO 26000 is one of them that have

been implemented for taking social responsibilities by European enterprises (Kanjia and Chopra, 2010). The most important suppositions comprise of sustainability development, community healthcare, and stakeholder's anticipations and are dependable with local law and norms. Norm is considered to be a set of directives that cannot be certified. The norms take into accounts the terminology related to social responsibility, their developments, and vital parts that ought to be accountable (Lehtonen, 2004).

The next standard is Social Accountability 8000. This standard has an independent external system that evaluates the necessary social responsibility. The last stage is the strategy formulation for social responsibility. The strategy formulation means a declaration by the business organization to fulfil necessary indicators. The last standard is Account Ability 1000, an international norm. The major purpose is to build relations, channelize statement and to increase the organization's value by engaging stakeholders. Additional features are providing developments and risk management as well as community environment realization. The above-mentioned conditions are the guidelines for an operational and strategic approach. The standard AA1000SES explains the term stakeholder engagement as the meeting of local community, building a path to integrate it fully with organization's strategy, the scheme of commitment engrossed units and aim (Mitchell, Agle, and Wood, 1997).

4. CSR - Best Practises

The most excellent practices carried out inside Corporate Social Responsibility are voluntary and are not directed by law. The purpose of these best practices is obtainable in committed standards, such as ISO 26000, AA1000 and SA8000. These norms are implemented in the area of organization order, employee and human rights, ethical business actions, eco-system, relationship with customers, and commitment with the local community. The aim of synthesizing these practices is to drive towards sustainable development. The best practices should meet the present need and are steady to companies' performance (Mainardes, Alves, and Raposo, 2011). The best practices of selected PSUs in Odisha and its impact on socio-economic development was discussed in detail (Srinivas Subbarao Pasumarti, 2020). The way of improving competitiveness can also be seen through the usage of best practices. That's the deeds for humanity and surroundings can

carry indirect benefits. The few examples of these actions are a reduction in air pollution, saving capital investment, the satisfaction of customer and building up relationships with the community. The information used for describing the best practices in this research article has obtained from www.odpowiedzialnybiznes.pl webpage. This website contains a base of best practices of CSR implemented by the business organization from various branches. The decisive factors for choosing a branch has been based on the number of companies and number of practices existing for every branch. The following branches have been considered for practices like logistics, transport, trading, services, and fuel industry and energetic (Bisoyi and Das, 2017).

The criteria considered for pointing out the best practices should belong to this group; place of work, employee rights, commitment and local society improvement, management and organisation order. Chosen practices have been implemented between 2003 and 2017 year as illustrated in Table 1.

Table 1. Best practices. Own elaboration

Year	Company	Branch
2002	ABB	Energetics
2003	ABB	Energetics
2004	BP Polska	Raw materials and fuels
2004	3M Poland	Trading
2005	DHL	Transport and logistics
2005	Schenker	Transport and logistics
2005	ABB	Energetics
2005	Profes	Services
2005	DB Schenker	Transport and logistics
2006	Tesco	Trading
2007	BP Polska	Raw materials and fuels
2007	Metro Group	Trading

2009	3 wings	Energetics
2009	Grupa Lotos	Raw materials and fuels
2011	Capgemini	Services
2011	Grupa Allegro	Trading
2011	Job Impulse Polska	Services
2012	GrupaRaben	Transport and logistics
2012	GAZ-System	Energetics
2013	Carrefour	Trading
2013	PM Experts	Services
2013	DB Schenker	Transport and logistics

The above-mentioned Table 1 provides information about the best practices in top companies belonging to the different areas of operation. The practice to appropriately categorize and to implement in sparkling companies, the unique standard of depiction is required. The standardization of their designation can be based on Practice life cycle method Usage, this determinant needs general junctures of practice functioning identification. The source component is defined by the decision makers (Tureac, Turtureanu, Bordean and Modiga, 2009). These sections of people are always ready to give impulse action. The subsequent stage is coupled with stakeholders, who are the prime focus for each practice. The aim, range, and the tools to be used and a particular task is defined by the decision makers. The practice recurrence is considered to be the penultimate stage. The last stage of the practice life cycle is the practice durability.

4.1. Parametric Diagram of Best CSR Practices Model

The initial action for developing a parametric figure of CSR practices is judiciously selection of practices with the intention of being applied in a limited list of branches, was executed in the restricted list of branches, integrated with social facet and the time period of data collection is between 2002 and 2013 (Wolmrans and Satorius, 2009). The subsequent stage of research is to categorise the different practices due to four facets that collectively construct a practise life cycle. The facets that are considered in

the practise life cycle are decision makers, stakeholders, practice repetition and permanence (Table 2).

Table 2. Presenting different facets of the practice life cycle.
Own explanation.

Best Practice	Decision-Makers	Stakeholders	Repetition	Permanence
F ₁	G ₁	H ₁	I ₃	J ₁
F ₂	G ₂	H ₂	I ₂	J ₂
F ₃	G ₁	H ₁	I ₁	J ₃
F ₄	G ₃	H ₄	I ₃	J ₃
F ₅	G ₄	H ₃	I ₁	J ₁

The best CSR practices have been tried to be explained by the researcher. The CSR practices have been explained by life cycle aspects. Each facet is characterized by an alternative of response accessible from a cluster of reactions. The last stage is a juxtaposition of a percentage in the form of a pie chart (Szczyka, 2015).

In order to convert the data presented in table 2 as percentage value using below outline

$$Q = \left(\frac{\sum_n^1 y_n}{p} \right) * 100$$

With presumptions that:

- y - option available from the set of answer from the total.
- p - the number of available answers,
- Q - Percentage of each answer compared with total available answers.

4.2. An Illustration of the Practices Life Cycle

The vital part below is the interpretation of the diagram in an accurate order. This graphical method is usually compared with a blossoming flower. The initial stage of the figure is like a sprout that slowly transforms into a plant essential for the network. The diagram presented below in the research work is also similar to this situation. The sprout, in this case, is the decision

makers who define the aim and practices to follow. The ultimate result is a control of neighbouring (social) surroundings. The plan is based on the models earlier presented. The information resource is explanation selected practices (Szczyka, 2015). Figure 1 portrays the categorization selected practices in the scope of the research topic. The circular section depicts each variant shown in the figure. The size of the variants is proportional to the percentage worth alongside all accessible alternatives of answers. The middle of the diagram is the starting point. The group of decision makers are the initiating factors and the biggest part refers to the top management along with the employees in the administration group. The remaining of initial subjects belong to the internal and external expert groups, other than cooperation with other companies (Mainardes, Agle, and Wood, 1997). The subsequent stage is the stakeholder's definition about the best practices being performed. The research proves that the most often group of this interest are the local environment along with internal and external stakeholders of the company. The practice repetition is considered to be the penultimate stage is practice life cycle. Single, period and continuous practices have similar values. Practice permanence is the last action in the cycle.

The detailed representation concerns constructing figure unfolding social facet of best CSR practices evaluated with regulations and endeavours incorporated in the definition of CSR standards. The content deification is considered to be the first step. These contents are developed from the explanation on the subject of selected preminent CSR practices. This information is also accessible through the internet on website www.odpowiedzialnybiznes.pl. The subsequent move is to classify this information and their amalgamation. The information collected from various sources is matched with the aim and range of practices described under ISO 26000 norm and AA1000 and SA8000 standards. Amalgamation allows confused facts on information are relevant to community facet and other. The major proportion of the social facet is prominent in relation with ISO 26000 standard. Majority of the CSR actions in the selected practice are focused on the development of the community and sustainable development given highest priority.

Figure1. Illustration of categorization preferred ways in terms of their life cycle.

Own explanation



With the aim that decisive factor has the principal worth of all presented values. In the sustainable actions presented by AA1000 and SA8000 project, there is less action towards social aspects. The practice where social aspect is not given importance then it is similar to wages.

5. Conclusion

Sustainable development is considered as a set of guidelines, which presume suitable manufacturing and utilization, concern for proper action of natural resources for the betterment of our future generation. The response from the economy sector is concern towards sustainability action which is believed to be called as Corporate Social Responsibility. In various aspects of sustainability actions, CSR plays a vital part in the business activity. Commencement is directed for accountability which means it possible for building up innovation in both business and competitive advantage. This opportunity helps to mount subsequent to economy catastrophe by means of fair practices, esteem for stakeholders, building tactical judgments and ethical deeds. The companies looking for consistent development should

primarily practice CSR as a part of their strategy. The local environment should be aware of the company's presence. The ecological impact due to business actions should be included. The research has reviewed that one-third of the practices don't refer to the standards AA1000 and SA8000 standards. The polish companies which do not inculcate the standards should be considered too low at their knowledge level and confidence.

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