

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES WITH SOCIO-ECONOMIC DEVELOPMENT IN NTPC (VSTPS) SINGRAULI

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Abstract :-

Corporate social responsibility is a form of corporate self-regulation integrated into a business model. CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. In some models, a firm's implementation of CSR goes beyond compliance and engages in "actions that appear to further some social good, beyond the interests of the firm and that which is required by law." CSR is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered as stakeholders. CSR is titled to aid an organization's mission as well as a guide to what the company stands for and will uphold to its consumers. Development business ethics is one of the forms of applied ethics that examines ethical principles and moral or ethical problems that can arise in a business environment. ISO 26000 is the recognized international standard for CSR. Public sector organizations (the United Nations for example) adhere to the triple bottom line (TBL). It is widely accepted that CSR adheres to similar principles but with no formal act of legislation.

Keyword:-

CSR,
capitalist
legitimacy,
education
and
healthcare

Introduction :-

The term "Corporate Social Responsibility" became popular in the 1960s and has remained a term used indiscriminately by many to cover legal and moral responsibility more narrowly construed. Proponents argue that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts

from the economic role of businesses. McWilliams and Siegel's article (2000) published in *Strategic Management Journal*, cited by over 1000 academics, compared existing econometric studies of the relationship between social and financial performance. They concluded that the contradictory results of previous studies reporting positive, negative, and neutral financial impact, were due to flawed empirical analysis. McWilliams and Siegel demonstrated that when the model is properly specified; that is, when you control for investment in Research and Development, an important determinant of financial performance, CSR has a neutral impact on financial outcomes. In his widely cited book entitled *Misguided Virtue: False Notions of Corporate Social Responsibility* (2001) David Henderson argued forcefully against the way in which CSR broke from traditional corporate value-setting. He questioned the "lofty" and sometimes "unrealistic expectations" in CSR.

Some argue that CSR is merely window-dressing, or an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations. Political sociologists became interested in CSR in the context of theories of globalization, neo-liberalism, and late capitalism. Adopting a critical approach, sociologists emphasize CSR as a form of capitalist legitimacy and in particular point out that what has begun as a social movement against uninhibited corporate power has been co-opted by and transformed by corporations into a 'business model' and a 'risk management' device, often with questionable results

REVIEW OF LITERATURE OF CSR:

Blasco and Zeiner (2008) conclude that despite similar institutional conditions in Mexico and France, the interplay of those institutions combined with the historical role of business and its relationship with society product quite different articulations of CSR in each country.

Mittal et.al. (2008) reported that there is little evidence that companies with a code of ethics would generate significantly more economic value added(EVA) and market added value(MVA) than these without code.

Kariabrahimoglu (2010) was found that there is significant drop in numbers and extent of CSR projects in times of financial crisis. The study contributes to the literature by initiating discussions on CSR and the ways they are affected by financial crisis.

Mishra and Suar (2010) indicated that stock listed firms show responsible business practices and better FP than the non-stock listed firms controlling confounding effects

of stock listing ownership and firm size, a favourable perception of managers towards CSR is found to be associated with increase in FP and NFP of firms. Such finding hold good CSR is assessed from the six stakeholder group in segregate. Finding suggested that responsible business practices towards. Primary stakeholders can be profitable and beneficial to Indian firms.

Sweta Singh (2010) The Indian CSR activities have been firmly confined to philanthropic activities. The businessman used to donate a part of their profit in freedom reforms and reinvested them in setting up new industries. Even today the CSR activities seems to revolve around mainly in educational sector and health sector with a little emphasis on, empowering women sustainable livelihood and infrastructure development. But what is required for the firms are that the firm should not through money just for the good sake of the society rather it should also benefit the firm. The initiative for this will be step towards strategic CSR which includes socially responsible investment. The means of communication through which firms communicate the public about the performance and their contribution to the society is not emphasized, which can make a difference. One major and prominent feature of Indian firms is the absence of stand-alone reporting practices in India but the content and information is limited. Although few Indian corporate are now increasingly adopting the GRI framework of reporting standard the number is limited to eight Indian companies which follow GRI guidelines. One major lag is environmental concerns by the firms and systematic formulation of Environmental Management System needs to be developed. CSR can have implications for government and civil society, so firms should began to think about the same.

Richa Gautam and Anju Singh (2010), Business houses all over the world are realizing their stake in the society and engaging in various social and environmental activities. The need of the hour is to formulate effective strategic policies and adopt various instruments according to the company history, its content, peculiarity in relationship with its different stakeholders so that CSR can be best implemented towards its goals – sustained environmental, social and economic growth. This research explores the existing literature available on CSR. The literature review shows trends, definitions starting from the early days of 1950s when CSR was in its budding stage. As of now, the trends have changed and CSR affects not only the company's reputation and goodwill but also govern the financial performance. It was analyzed that the reporting practices range from the very sophisticated and well-established system to "a brief mention of CSR" in the annual report. CSR reporting will continue to improve globally,

but the information it contains would need to be standardized. A feature noticed in the development of CSR reporting is the influence of several international and local organizations with different frameworks, indices, directives and initiatives etc. Many of these initiatives are voluntary but are likely to hinder rather than assist the development in the reporting systems. India's markets continue to exhibit a profusion of negative externalities where the costs of resource use, environmental degradation, or community disruption are neither paid by those who incur them nor are reflected in actual prices. Today's economic framework gives little encouragement for companies to consider the long-term – the essence of true sustainable development.

Objective of the Study

- To study the corporate social responsibility by NTPC (VSTPS) Singrauli with special reference to education and healthcare.
- To compare the measures adopted by NTPC (VSTPS) Singrauli with respect education and healthcare.
- To know about exiting road condition at neighboring villagers.
- To see that other common activities in working properly.
- To know condition of water supply system.

RESEARCH METHODOLOGY :-

Research in common parlance refers to a search for knowledge. One can also define research as a scientific and systematic search for pertinent information on a specific topic. In fact, research is an art of scientific investigation. Research as "a careful investigation or inquire specially through search for new fact in any branch of knowledge".

For the sample design, selected various Worker, Manager, staff STM, Executives from NTPC (VSTPS) Singrauli by me. For the project we are used random sampling method. I think this method is more comparatively for large group. For the questionnaire we have selected - 20 executive and 80 IC or STM from the NTPC (VSTPS) Singrauli. Sample size 100 Respondents,

It is an important function of statistics is the diagrammatic presentation. Through the diagrams we easier to understand the problem. Classification and tabulation are the techniques that help in presenting the data in an intelligible form. But with increase in volume of data, it become more and more inconvenient to understand even after its classification and tabulation Data presented in the from of diagrams are able to attract the attention of a common man. It may be difficult for a common man to understand

and remember the data presented in the form of figures but diagrams create a attractive impression upon his mind. Due to their attractive impression diagrams are very frequently used by many person's.

Area of Study

The researcher have conducted her study among the worker of NTPC (VSTPS) Singrauli.

Limitation

1. Answers such as can't say or not sure made the analysis difficult
2. As the most of employee were busy in their work, it was difficult to meet them individually for an interview.
3. Unwillingness on the part of the respondents.
4. Some training program could not be conducted as per schedule due to urgency in the plant due to the non availability of trainer.
5. Due to time of paucity of time, operative level of employee could not be contacted

Hypothesis

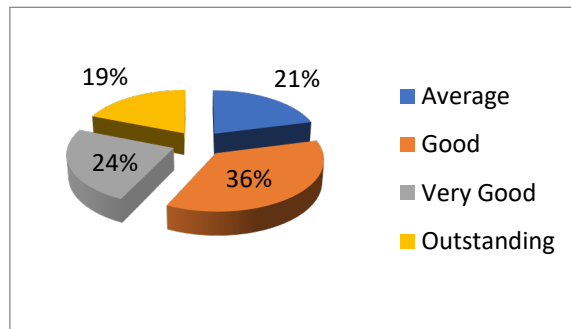
1. Employee are satisfied with the overall Corporate Social Responsibility at NTPC (VSTPS) Singrauli
2. Employee is satisfied with the monitory and non monitory benefit provided by the NTPC (VSTPS) Singrauli.
3. There may be some needs for improvement in Corporate Social Responsibility
4. Organization is much concern about their development and they get adequate benefit, hence they are satisfied with their job.
5. It may be that all the employees may be satisfied provided by the organization

Data Analysis & Interpretation :

Question No. 1 – Do you think that the measures taken by NTPC (VSTPS) Singrauli towards CSR (Education, Health, Environment and Employment) is satisfactory, How you would express your views?

Grades	Average	Good	VeryGood	Outstanding	Total
No. of Responses	21	36	24	19	100
Percentage of responses	21%	36%	24%	19%	100%

Pie Diagram Showing Response on Overall CSR Activities For Employees and Neighboring Communities.

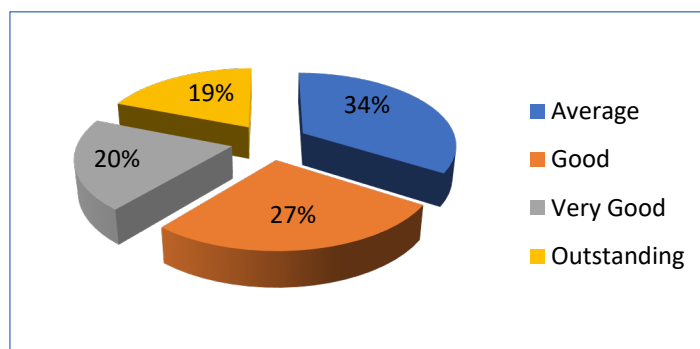


Interpretation : Above data shows that the maximum respondent are responses to good & very good with think that the measures taken by NTPC (VSTPS) Singrauli towards CSR (Education, Health, Environment and Employment) is satisfactory & rest of respondent are response to average & outstanding..

Question No. 2 How is the impact of CSR initiatives as regards to loyalty towards the company?

Grades	Average	Good	VeryGood	Outstanding	Total
No. of Responses	34	27	20	19	100
Percentage of responses	34%	27%	20%	19%	100%

Pie Diagram Showing Response, if There Is Any Linkage Between CSR Initiatives and Loyalty Towards Company.

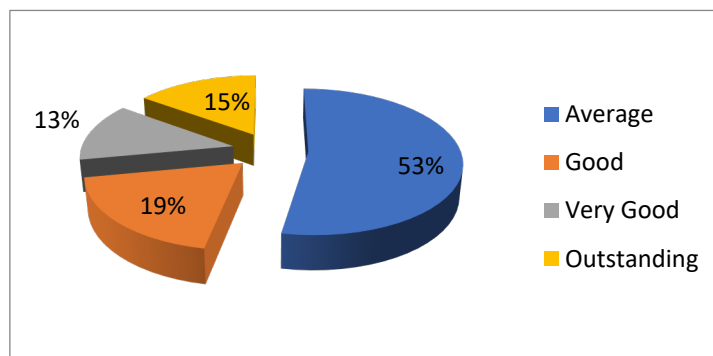


Interpretation : Above data shows that the maximum respondent are responses to average & outstanding with the impact of CSR initiatives as regards to loyalty towards the company & rest of respondent are response to Good & Very Good.

Question No. 3 – It is said that ‘CSR plays an important role in building the Brand image of the Company’. How far you think it is correct?

Grades	Average	Good	Very Good	Outstanding	Total
No. of Responses	53	19	13	15	100
Percentage of responses	53%	19%	13%	15%	100%

Pie Diagram Showing Response, if There is any Linkage Between CSR and Brand Loyalty of Consumers who has Been Served as the Beneficiaries of CSR Activities.



Interpretation : Above data shows that the maximum respondent are responses to average & outstanding with ‘CSR plays an important role in building the Brand image of the Company & rest of respondent are response to Good & Very Good.

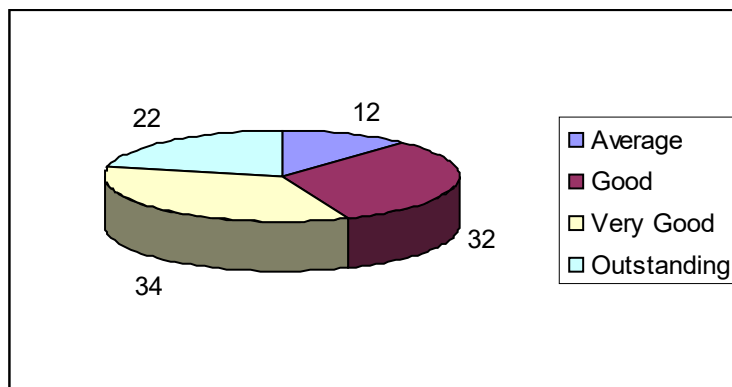
Overall Assessment :

Overall Segment-wise Rating obtained through Questionnaire is shown in the table below:

Segment	No. of respondent	Rating			
		Avg.	Good	V. Good	Outstanding
Manager	25	0	7	12	6
Staff	25	0	10	6	9
Workers	25	6	8	8	3
N. Community	25	6	7	8	4
GRAND TOTAL	100	12	32	34	22

The Pie-Chart showing the Satisfaction level response received from Questionnaire is as below

PIE-CHART SHOWING OVERALL RATINGS GIVEN BY RESPONDENTS



The Bar-Chart showing the Segment-wise response received from Questionnaire is as below (the detail is attached as annexure)

Findings :

- The basic of CSR i.e. Education, Health, Environment & Employment has been proved to be a very successful one in order to reach the maximum advantages to all segments.
- The overall response of initiatives towards (Ref Table -2: Question No.4) Pollution Free Environment has been satisfactory but not upto the mark. The overviews of the respondents are to concentrate more on tree plantation and installation of pollution control equipments.
- From the study we could determine (Ref Table -2: question No.10) that so far the CSR has not proved to be a successful tool in building the Brand image to the expected level. However, somewhat it has been proved to be emotionally attaching with the company and people are somewhat seems to be loyal if the basic amenities are provided by the Corporate houses.
- The neighboring communities are well satisfied with the initiatives taken by NTPC (VSTPS) Singrauli towards Rural Development and provision of basis amenities. (Ref Table No.2: Question 5 &6)
- Finally we may conclude that the CSR initiatives taken by NTPC (VSTPS) Singrauli are quite effective and reaching towards right directions.

Conclusion :

The business enterprises system is the mechanism selected by society to produce and distribute goods and services. Originally, people felt that a business

enterprise had fulfilled its social responsibility by surviving and realizing the maximum profit possible. The resources of society could be used by the business enterprise to make profits as long as the enterprise complied with the few rules imposed by governments to check abusive practices. By making profit, business enterprises contributed to a growing, healthy economic system that provided employment and adequate incomes for all. In other words, corporate social responsibility was to operate profitably, and the corporation could not survive without profits, much less play a social role. The practice of business contributing for social development has continued through the ages and as economic political and social conditions changed, the business response to social need also underwent a change. Over the years there has been a shift from merchant charity to corporate citizenship.

Suggestions/Recommendations :

The following strategic steps are suggested for NTPC (VSTPS) Singrauli to be carried out to fulfill its Social Responsibility more effectively:

- The existing CSR activities are looked after by the HR department by their regular employees. Since personnel of HR department mostly remain busy with their routine jobs of IR and other in house welfare activities, there should be a separate team to implement the CSR functions. By this the CSR activities can be implemented more effectively.
- More qualified professionals should be involved for CSR programme. The experience of HR personnel and the expertise of professionals can make the programme more successful.
- The scope of participation and involvement of more community leaders, religious heads and local persons having in-depth knowledge about the customs and rituals of various communities will make the programme more successful.
- The frequency and duration of Eye Camps, Naturopathy Camps, Heart checkup Camps and general health checkup Camps must be increased for more coverage.

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