Corporate Social Responsibility in Education: A Case Study of Hetero Group

Ms. Praveena Thirummuru¹, and Dr. T. Vijaya Kumar Thirukkovela²

Abstract—Corporate Social Responsibility is a concept to introduce a variety of policies and practices aimed at reducing the negative impacts of the company operations and improving their contribution to the society. The concept of CSR is adopted by a number of companies in a variety of industries. CSR programme address a wide array of social & Environmental issues from human rights to education and climate change. The present paper focusing on Corporate Social Responsibility initiatives in education sector of a drug company and its impact on development, delving into its concept and finding its scope taking the case study of the Hetero group of drug Company towards Corporate Social Responsibility in uplifment of children of common masses by providing better education to dropout girls and mainstreaming them into education.

Keywords—Corporate Social Responsibility, Education, School-dropouts, Quality Education.

I. INTRODUCTION

Corporate Social Responsibility (CSR) is becoming an increasingly important activity to businesses nationally and internationally.

According to Lord Holme and Richard Watts “Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large” As globalization accelerates and large corporations serve as global providers, these corporations have progressively recognized the benefits of providing CSR programmes in their various locations. Traditionally in the United States, CSR has been defined much more in terms of a philanthropic model; Companies make profits.

CSR and Education: unhindered except by fulfilling their duty to pay taxes. Then they donate a certain share of the profits to charitable causes.

In the present society the public education faces many challenges of standardized testing, strained budgets, teacher retention and basic quality. These demands have given way to new opportunities for businesses to support education in a win-win situation that benefits everyone.

Companies get involved in education for a number of strategic reasons including building a positive reputation land goodwill among consumers, employees and other stake holders; developing brand recognition, whether to increase consumer loyalty, boost sales, or establish the company as an industry leader; building a more educated workforce; raising consumer awareness about a particular issue; and fulfilling a company mission or mandate students, schools, and the general public can benefit from the experience and expertise that corporations bring to the table, particularly if the groups work together to ensure the right needs are being met on both ends. Companies looking to contribute to public school education, for instance, must consider the many demands that schools and educators face daily-time constraints, tight budgets, technology access, standardized testing and explicit curriculum standards as well as the unique places where outside help is needed.

1.1 Literature Review

The concept of CSR originated in the 1950’s in the USA but it became prevalent in early 1970s. At that time US had lots of social problems like poverty, unemployment and pollution. Consequently a huge fall in the prices of Dollar was witnessed. Corporate Social Responsibility became a matter of utmost importance for diverse groups demanding change in the business. During the 1980’s to 2000, corporations recognized and started accepting a responsibility towards society. Corporate social responsibility (CSR) focuses on the wealth creation for the optimal benefit of all stakeholders – including shareholders, employees, customers, environment and society.

According to Bowen, —CSR refers to the obligations of businessmen to pursue those policies to make those decisions or to follow those lines of relations which are desirable in terms of the objectives and values of our society.[1].

1. Davis (1960) argued that social responsibility is a nebulous idea but should be seen in a managerial context. He asserted that some socially responsible business decisions can be justified by a long, complicated process of reasoning as having a good chance of bringing long-run economic gain to the firm, thus paying it back for its socially responsible outlook (p. 70) [2].

2. An ideal CSR has both ethical and philosophical dimensions, particularly in India where there exists a wide gap between sections of people in terms of income and standards as well as socio-economic status (Bajpai, 2001) [3].

3. CSR implies some sort of commitment, through corporate policies and action. This operational view of
CSR is reflected in a firm’s social performance, which can be assessed by how a firm manages its societal relationships, its social impact and the outcomes of its CSR policies and actions (Wood, 1991) [4].

1.2 Purpose
To understand the concept and scope of corporate social responsibility and getting an insight in CSR practices in the light of the case study of the Hetero group.

1.3 Objectives of The Study
- To understand the concept of CSR
- To find out the scope of CSR
- To know how the Hetero group has fulfilled its responsibility towards all stakeholders; what specific activities, programs and strategies it has set, devised and implemented for the upliftment of masses by providing the better educational facilities.

1.4 Research Methodology
Exhaustive literature survey regarding the topic and related concepts has been done. Secondary data collected from various sources including books, research papers, newspapers, magazines, and websites is used for the purpose of study. The primary data was collected from 30 villages of Nakka Pally Mandal, Visakhapatnam District. Andhra Pradesh.

II. CONCENTRIC CIRCLE & CSR
In 1971, the Committee for Economic Development issued a report throwing light on different dimensions of responsibilities to be fulfilled by the corporate. The responsibilities of corporations are described consisting of three concentric circles.

(a) Inner Circle: Clear cut, basic responsibilities for the efficient execution of the economic function, products, jobs and economic growth.
(b) Intermediate Circle: Encompasses responsibility to exercise this economic function with a sensitive awareness of changing social values and priorities. E.g. With respect to environmental conservation, hiring and relations with employees, expectation of customers for information, safety factors, etc.
(c) The Outer Circle: Newly emerging and still amorphous responsibilities that business should assume to become more broadly involved in actively improving the social environment.

III. CLASSIFICATION OF SOCIAL
3.1 Responsibility Towards Itself
It is the responsibility of each corporate entity run business and to work towards growth, expansion and stability and thus earn profits. If the corporation is to achieve social and economic ends, organizational efficiency should be boosted up.

3.2 Responsibility Towards Employees
Employees are the most important part of an organization. Following are some of the responsibilities which a business entity has towards its employees-
- Timely payment
- Hygienic environment
- Good and impartial behavior
- Health care through yoga
- Recreational activities
- Encouraging them to take part in managerial decisions

3.3 Responsibility Towards Shareholders
It is the responsibility of corporate entity to safeguard the shareholders’ investment and make efforts to provide a reasonable return on their investment.

3.4 Responsibility Towards State
Out of the profit available, the state is entitled to a certain share as per the income tax laws. Utmost transparency has to be exerted regarding the profit & loss account and the balance sheet.

3.5 Responsibility Towards Consumers
The Company should maintain high quality standards at reasonable prices. It should not resort to malpractices such as hoarding and black marketing.

3.6 Responsibility towards environment
It is the responsibility of the organization to contribute to the protection of environment. It should produce eco-friendly products. Moreover, industrial waste management must be taken care of.

IV. HETERO GROUP & CSR
Hetero’s Corporate Social Responsibility ranges from natural resources development to Health care activities, which include Education, Safe drinking water facilities, health and infrastructure needs of the stakeholders of villages in 60 villages and 1 lakh population.

Fig. 1. Csr Activities of Hetero Group

Nelson Mandela rightly stated “Education is the most powerful weapon which you can use to change the world.”
Being one of the greatest admirers of his beliefs and outlook, Hetero too has shared this vision and invested unparalleled efforts in creating seamless education opportunities for the lesser privileged.

Hetero’s commitment for offering quality education for all, has made us introduce innovative methods that are also in sync with the Government initiatives. As on date, Hetero has sponsored about 30 Vidya Volunteers for supporting the academic needs in the rural schools. These Vidya Volunteers are deployed at various schools in the Mandal of Medak, Nakkapally, Sangareddy and Jadcherla.

Every Vidya Volunteer sponsored by Hetero attends the academic interests of nearly 100 children. As on date, Hetero proudly shares the simple statistical information that as many as 3000 students are fulfilling their educational needs through our 30 Vidya Volunteers in 24 schools. Undoubtedly, our detailed attention to cater educational opportunities to every child has been significantly successful.

Hetero’s support for quality education focuses more keenly on the X students as it is a critical phase in academics for achieving ones career interests. About 2000 students of X standard for the year 2014-15 are offered evening snacks as it motivates them to invest their best efforts in their board exams. Also, a precise balance between in-time food and quality education is a needed to realize successful milestones.

The students are also provided with school uniforms apart from notebooks and other stationary material. Our efforts also cover them in developing their overall personality viz. promote their sporting abilities through sports fests and also by offering sports kits.

The next important area of concern as part of the educational support is the health awareness camps that are being organized in the schools. Various programs like eye care awareness camps, anemia awareness camps are conducted which have covered at least 10,000 children. These camps have been successful in elucidating the importance of Health to the children.

V. CONCLUSION

Corporate Social Responsibility has many aspects. Companies have been finding various innovative alternatives to discharge their social responsibility. Education is the sector which is the most entitled and socially rewarding effort for any corporate to be looked upon to release its social responsibility. Supporting education at any level will mean, re-energized education sector which can transform our country into a true knowledge power and realize a future of success and growth.

As far as the Hetero group is concerned, it has gone a long way in fulfilling its duty and responsibility towards the society. It has reached the masses in providing the better educational facilities and to elevate their lives.

VI. FINDINGS

- As business is an integral part of the social system it has to care for varied needs of the Society
- Business which is resourceful has a special responsibility to the society.
- Social involvement of business would enhance a harmonious and healthy relationship between the society and business seeking mutual benefit for the both.
• Social involvement may create a better public image and goodwill for the company which further becomes instrumental in attracting customers, efficient personnel and investors.

VII. SIGNIFICANCE OF THE STUDY

A. To The Policy Makers
• This study encourages Private Public Partnership (PPP) for CSR promotion encompassing infrastructure, Education, Health and safe drinking water facility to the masses.
• It may become helpful to make the policy makers at political and corporate level as well consider CSR an investment and not an expense as it can become instrumental in increasing goodwill and corporate image.

B. To The Society
• Development of infrastructure i.e., Safe drinking water, education etc.
• Uplifting of the rural population.
• Bringing the masses into the mainstream of the society.

C. To The Economy As A Whole
• Increase in the growth rate.
• Strategic CSR at political and corporate level can make the country a better investment destination.

REFERENCES