

COMMUNITY DEVELOPMENT THROUGH CSR – A CASE STUDY OF JCSRC

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Abstract: Community development is a process of voluntary cooperation and self-help/mutual aid among residents of a locale aimed at the improved physical, social and economic conditions'. Corporates today undertaken CSR responsibility started focusing on community development for the well-being of people rather than just investing in facilities and infrastructure development. Corporates were undertaking the development activities where they can ask for the contribution of local people for the development of facilities like digging of ponds, building of roads etc. This study is an attempt to know the perception and opinion of the people of Jharkhand towards the CSR initiatives undertaken by the newly formed Jharkhand Corporate Social Responsibility Council (JCSRC) which was constituted on 24th April, 2015 by the government of Jharkhand. A sample of 100 respondents from 5 villages was selected through convenience sampling technique and data is collected through structured questionnaire. The study concludes that JCSRC has so far undertaken various CSR initiatives for the well-being of people which has somewhat brings changes in the life of people and villagers were happy with the work done in their area.

Index Terms - Community Development, Corporate social responsibility, CSR initiatives, CSR Challenges, Social welfare.

I. INTRODUCTION

Corporate Social Responsibility (CSR) is becoming an increasingly important activity to businesses nationally and internationally. As globalization accelerates and large corporations serve as global providers, these corporations have progressively recognized the benefits of providing corporate social responsibility programs in their various locations. Corporate social responsibility activities are now being undertaken throughout the global. The term is often used interchangeably for other terms such as Corporate Citizenship and is also linked to the concept of Triple Bottom Line Reporting (TBL), which is used as a for measuring an organization's performance against economic, social and environmental parameters. The rationale for corporate social responsibility has been articulated in a number of ways. In essence it is about building sustainable businesses, which need healthy economies, markets and communities. The corporate and business houses in India and other part of world are working for positive impact on society with the good ethically practices of business. In these days in India corporate social responsibility is a systematically activities it is not a charity or philanthropy. A corporate is working for society community and around them. Companies bill 2013 in which companies are mandatory to spend at least 2% of net profit in corporate social profit. It is indicate the governments also promote the corporate social responsibility activities for the government or private company to more involve in social and community development like health, education, skill development, rural development. These days company have clear vision and mission about corporate social responsibility policy to implement these corporate social responsibility activities at the grand level they have a experts team in corporate social responsibility and aside budget for the implementation of the project. In the globalization and industrialization it's create more pressure at company they maintain balance of people plant and profit for sustainability of business. It is essential the company and corporate are maintain good involvement of their corporate social responsibility system so corporate image also improve its strongly support to the corporate governance policy of the company.

II. CONCEPTUAL FRAMEWORK OF CSR

Time of globalizations, many multinational company are working in India and some Indian company are working in global operation so they require corporate social responsibility in exchange of extremely use of local and natural resources due to high use of recourses of the country its create a competition between industry and society's minimize these type of completion corporate social responsibility is basic tool. Multinational companies have global for business strategy so they have good research in corporate social responsibilities they implement new-new experiment and method for the corporate social responsibility strategy.

Corporate social responsibility is —A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. The trend is clearly visible globally as more and more business owners have started paying more attention to the social implications of their activities. Corporate social responsibility is a commitment by business towards ethical behavior, when it all begins. It is not only about how companies manage the business processes to produce an overall positive impact on the society , But describes, it covers all the four kinds of responsibilities namely economic, legal, ethical and discretionary, which companies have to make a strategic decision. The development of the involvement of companies and the emergence of sustainability thinking in business together can be seen as a pro-active driving force. Corporate social responsibility's role in addressing issues regarding corporate responsibilities of a company and its relationship with the society and environment has been a very debatable topic. The growing environmental issues and concerns worldwide became the basis of the emergence of the Ecological "vision". As commonly perceived Corporate social responsibility is not what is written in company's code of conduct or annual reports. That is just one part of total corporate social responsibility initiatives taken by the company. In general social responsibilities of an organization have to include all the three bottom lines:

- Ecological
- Economic

➤ Social

The concept of corporate social responsibility is not new to business world as commonly perceived. Corporate responsibility was not difficult to understand as we all know that the debate on —polluting organizations started at least in the 1970's, which afterwards recycling, fair trade market practices, good governance, safe packaging, sustainable development, and accountability comes into perspective. In the past companies have been practicing Corporate social responsibility but most of the time it has been viewed as something to fill annual reports and corporate PR statements or lip service. In fact, it has never been taken seriously enough so as to make it part of corporate business strategy. World have started thinking in terms of integrating its activities into their core business strategy and started assessing its impact seriously, as Corporate social responsibility has to ensuring competitive advantage and strategic gains.

III. COMMUNITY DEVELOPMENT

Community development is defined as a 'process of voluntary cooperation and self-help/mutual aid among residents of a locale aimed at the improved physical, social and economic conditions' (Chavis & Florin 1990). Four aspects are: (a) citizen action; (b) voluntary participation, cooperation, and collaborative problem solving; (c) empowerment and (d) a focus on holistic, community-wide outcomes. Thus, Community development is a process where community members come together to take collective action and generate solutions to common problems. The outcome of such action is healthier and more equitable power relations leading to a sense of community competence and to individual and community empowerment (Labonte 1994, Minkler & Wallerstein 1997). Community wellbeing (economic, social, environmental and cultural) often evolves from this type of collective action being taken at a grassroots level. Community development ranges from small initiatives within a small group to large initiatives that involve the broader community. Effective community development should be:

- A long-term endeavor
- Well-planned
- Inclusive and equitable
- Holistic and integrated into the bigger picture Initiated and supported by community members
- of benefit to the community
- grounded in experience that leads to best practices

Community development is a grassroots process by which communities:

- become more responsible
- organize and plan together
- develop healthy lifestyle options
- empower themselves
- reduce poverty and suffering
- create employment and economic opportunities
- achieve social, economic, cultural and environmental goals

Community development seeks to improve quality of life. Effective community development results in mutual benefit and shared responsibility among community members. Such development recognizes:

- the connection between social, cultural, environmental and economic matters
- the diversity of interests within a community
- its relationship to building capacity

Community development helps to build community capacity in order to address issues and take advantage of opportunities, find common ground and balance competing interests. It doesn't just happen – capacity building requires both a conscious and a conscientious effort to do something (or many things) to improve the community.

IV. OBJECTIVES OF THE STUDY

Following are the objectives of this research:

- To study the CSR initiatives undertaken by JCSRC in Jharkhand.
- To find out the perception of people towards facilities developed by the JCSRC.

V. METHODOLOGY USED

The aim of this study is to study the CSR initiatives and facilities developed by JCSRC in Jharkhand and opinion of people towards such initiatives. A sample of 100 respondents from 5 villages was taken for the study where JCSRC has performed certain CSR activities. The respondent from these 5 villages has been selected using convenience sampling technique. For collection of primary data, interviews were conducted among the sample respondents through a structured questionnaire which is prepared on the basis of prior studies done on CSR. The initial questionnaire is drafted in Hindi, keeping the low literacy rate of the rural population, so that people will be able to understand the questions easily and respond accurately. Data collected from interviews was filled in SPSS 21.0 for further analysis.

VI. JHARKHAND CORPORATE SOCIAL RESPONSIBILITY COUNCIL (JCSRC)

The Jharkhand Corporate Social Responsibility Council (JCSRC) was constituted on 24th April, 2015 by the government of Jharkhand. The Council comprises a team of representatives from government and industry representatives to monitor CSR schemes aligned with the state government's vision. JCSRC aims to ensure maximum benefits for the masses and proper coordination of welfare projects of business houses in harmony with the state priorities. JCSRC is one of its kind bodies in India that ensures the CSR funds are efficiently used with substantive results. The Council is there to monitor CSR spending in targeted areas and suggest ways for better coordination. This removes duplicacy of similar projects funded by the companies in a particular area.

(a) Role of CSR Council

The CSR Council of Jharkhand government plays a crucial role in-

- Channelizing CSR activities of Companies, for facilitating comprehensive development of the village/gram panchayats in Jharkhand with clear outcomes/results by dovetailing/synergizing
- Ensuring that CSR amount as per the Companies Act - calculated on the basis of annual turnover and net profit of the Companies operating in Jharkhand - is fully invested in Jharkhand itself
- Advising Companies to take up select/specific interventions under CSR as per the Companies Act 2013 in the geographical areas of the companies operation, as well as in the backward areas outside the areas of companies operation. As per Guidelines of the Government of India. Central Public Sector Enterprises (CPSEs) are expected to invest CSR funds in Backward Regions Grants Fund (BRGF) districts and consult the state government on government's priorities and area specific needs.
- Monitoring and reviewing CSR activities of the Companies.
- Ensuring the government departments at the state and the district administration are kept fully informed by Companies about the CSR activities
- Ensuring that Companies take up activities to fill the critical gaps and strengthen government schemes/programs and not duplicate activities (as far as possible).
- Channelizing CSR funds to improve services in the most marginalized communities like PTGs in the state.

(b) Activities identified under CSR

What constitutes CSR activities is listed in Schedule VII of the Companies Act (as amended on 27 February 2014). It has identified 10 broad areas for CSR programs. These are:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
8. Contribution to the PMs National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects.

The areas identified in items 1 to 4 in the Schedule-VII of the Companies Act are the same as the 8 goals of the Millennium Development Goals (MDG) of the United Nations. Therefore, the focus of the CSR activities of companies in the state would be to achieve the MDG by helping improve the indicators on health, nutrition, education, women empowerment, water, sanitation and hygiene, and enhance the livelihood and income earning capacity of the people in Jharkhand. Investment of CSR funds in these 10 areas will improve the 'human capability' (quality of human capital) of the people in the project areas which in turn will help in improved productivity and product ion. It will also help to build the image and credibility of the corporates.

VII. DATA ANALYSIS & DISCUSSION

Demographic details of the sampled respondents are presented in table 1. It was found that majority of sampled respondents were male (61%) and female segment accounts for only 39%. It was also observed that majority of people belonging to age group of 31-40 years (27%) followed by the people of age group of 41-50 years (19%), 21-30 years and 61-70 years (14%), above 70 years (6%) and below 20 years (5%). The sample also consists of the largest chunk of married respondents (79%) whereas some respondents were found unmarried (21%). In terms of education of the people, it was found that majority of respondents were less literate having qualification upto 12th (60%) whereas some were found illiterate (27%) and other found qualified with education at the status of graduate level or above (13%).

Table 1: Demographic characteristics (n = 100)

	Demographic	Frequency	%
Gender	Male	61	61
	Female	39	39
Age	Upto 20 Yr	5	5
	21-30 Yr	14	14
	31-40 Yr	27	27
	41-50 yr	19	19
	51-60 Yr	15	15
	61-70 Yr	14	14

Above 70 Yr	6	6
Marital Status		
Married	79	79
Unmarried	21	21
Education		
Illiterate	27	27
Primary	24	24
Upto 10th	19	19
Upto 12th	17	17
Graduate & Above	13	13
Occupation		
Agriculture	71	71
Wage Labour	19	19
Artician	6	6
Business	2	2
Others	2	2

It was also revealed from the sample that majority of sampled respondents were agricultural farmers (71%) whereas some were wage labours (19%) and others are attricians (6%), business persons (3%) or employed inn other works (2%). Overall the sample is diverse and should be fair representation of the actual population.

Table 2: Facilities developed by SECL under CSR

Roads	81
Bridge/Culvert	5
Community hall/Community Centre	13
Ponds (New)	57
Cleaning/Deepening/Renovation of Ponds	66
Water Supply arrangement (Hand pump/Tube well/Dug well)	73
Overhead tank with pipe line and taps	82
Building for School, Additional class rooms in school	59
Toilets in school, Compound wall around the school	66
Health Care services, buildings, facilities	58
Market yard	4
Public Toilets	37
Skill development facilities/training for employment	19
Old age home/day care/orphanages	12
Activities for protecting wild life/animals	44
Renovation/restoration of historical importance buildings	11
Street lighting/Solar light	54

Different activities and initiatives of JCSRC is presented in table 2. For welfare of the villagers, JCSR has worked for developing the roads to connect the villages (81%), developed new ponds (57%), deepening and renovating of old ponds (66%), arranges water supply through tube wells and hand pumps (73%), pipelines and taps (82%), public toilets for people (37%), community centres (13%), market places (4%), street/solar lights (54%) and bridges/culvert (5%). For enhancing the education and providing education facilities, JCSRC has built schools buildings and additional classrooms in old schools (59%), toilets and compound wall of schools (66%) and compound wall of schools (73%). With respect to health care services, JCSRC has developed health care facilities and buildings (58%). For empowering people, JCSRC also has facilitates skill development /training facilities to the villagers so that they will get employment (19%). JCSRC also has developed old age home/day care facilities of old people and orphans (12%). For protecting the historical buildings, JCSRC has taken initiatives' for renovation/restoration of buildings (11%) and also undertaken initiatives for protecting animals and wild life (44%).

Table 3: Villagers opinion towards facilities developed (n = 100)

Particulars	SD	D	N	A	SA
Facilities developed meets the need and requirement	11	18	19	34	18
Developed facilities are accessible for everyone	12	10	11	39	28
Best quality of facilities were developed	15	23	37	17	8
Developed facilities helps in facing emergencies	17	18	33	21	11
Developed facilities can be used without interruption due to regular maintenance	19	22	9	26	24
Standard of living is reduced in absence of these facilities	14	21	15	27	23

Opinion of sampled respondent villagers about the developed facilities and CSR initiatives' of JCSRC is presented in table 3. People opined that facilities developed by JCSRC is upto the need and requirement of the community (52%) which is easily accessible by every needy (67%) and is uninterrupted due to regular maintenance (50%) but the quality is not up to the mark and is poor (38%) and does not helps in facing the emergencies (35%). Overall people have an opinion that these developed and provided facilities by JCSRC have supported their standard of living (50%).

Table 4: Satisfaction of villagers (n =100)

Particulars	SD	D	N	A	SA
Developed facilities by JCSR had made life easy	11	19	17	37	16
Developed facilities by JCSR provides comfort to people	10	22	21	34	13
Provided facilities by JCSR has improved well-being	-	17	15	58	10

With respect to the developed facilities by JCSRC, recorded satisfaction level of sampled respondent is presented in table 4. It was noted that majority of the respondent villagers were satisfied with the developed facilities stating that these facilities has simplified and makes their life easy (53%) and there is a comfort in their daily life due to these facilities (47%). It was also found that these developed facilities have improved the well-being of the people (68%). Overall, the people of the villages where JCSRC has taken CSR initiatives were found happy with the facilities and work done by the council.

VIII. CONCLUSION

With the enforcement of companies bill 2013 which makes the companies to spend at least 2% of their net profit in social welfare activities mandatorily, there is a tremendous welfare activities has been observed in the rural areas. Previously, corporates were just investing their money in developing infrastructure to fulfill the requirement of the government norms and view it as a charity. But now, corporates has realized the importance of CSR as a way for promoting their brand and create goodwill among the people, hence started actively participating in CSR activities and started working on community development approach rather than investing in infrastructure only. Government of Jharkhand has created a council namely Jharkhand Corporate Social Responsibility Council (JCSRC) to carry out the CSR activities in Jharkhand targeting the welfare and community development. This study is an attempt to know the opinion and perception of people of Jharkhand towards the CSR activities carried out by JCSRC. The results revealed that JCSRC has carried out several activities under CSR for the well-being of the people and community and people like development of roads, schools, health care facilities, availability of pure drinking water, sanitation etc. which is also perceived good by the people and people were found satisfied with the development as well. Still there is much more development required as the state is far backward as compared to the other developed states in terms of economies and infrastructure. The development of state is only possible when corporates were engaged in community development where people of the society, especially rural people, started working with the corporates for their well-being and development. This new approach of community development under CSR by the corporates will definitely makes the state grow in much faster pace. Government is also working in the direction of development of state and people and formation of JCSRC is the prime step of it.

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