

# Corporate Social Responsibility –Proximity to Human Resource Management

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Many corporations have adopted corporate social Responsibility (CSR) practices while pursuing their business objectives. The entire approach towards the development of the society is very scientific and well thought out. In all such endeavors, the benefits should trickle down to as many stakeholders as possible. These CSR initiatives can be implemented in the organization with the help of Human Resource Management (HRM) concepts like Quality of work life (QWL), so that manifestation of the concept of CSR can be visualized. This paper tries to explore the various aspects of the CSR concept, as well as QWL. It attempts to establish the correlation between CSR and QWL.

This is conceptual exploratory in nature and seeks to establish a relation between Corporate Social Responsibility (CSR) and Human Resource Management (HRM). The specific focus is on Quality of Work Life (QWL). Corporate(s) in India, anywhere else in the world, are striving to improve the public image of the business. It is not 'dirty business' any more. Most companies believe in being and becoming good corporate citizens. They see the value of giving back to the community, which contributed to their success. CSR is no longer mere philanthropy. Through still largely voluntary, it is seen as imperative for sustainable business. There is growing evidence that socially responsible investment by ethical companies brings in higher returns on a long term basis. CSR and QWL are umbrella concepts, encompassing several themes-philanthropic towards society and charity towards employees. Organizations plough back benefits like owning customers and owning employees, which in a cycle way fetches rewards to it.

An organization, as a system, can be changed and developed to achieve the goals in the best possible way. Generally, the goals of an organization, ab initio, are: survival, stability, profitability, growth and then service to society.

## Definitions of the Concepts:

To define CSR, it is the commitment of business to contribute to sustain able economic development, working with employees and their families, the local community and society at large, to improve their quality of life in ways that are both good for business and good for development (World Bank, October 2003).

CSR has been influenced by two major concepts. One is Stakeholder Model, wherein it is recognized that good business practice entails engaging all stakeholders in the company's business.

Stakeholders include authorities, customers groups, business partners such as employees, unions, suppliers, distribution service providers, etc., and external influences, such as community members, media, special interest groups etc.

The second concept is Triple Bottom Line, where companies would no longer be judged by the conventional signal, i.e., financial bottom line but also on their performance in social

and environmental bottom lines. Triple bottom line concept measures the overall performance of a company based on its combined contribution to economic prosperity, environmental quality and social capital.

QWL is defined as any activity that takes place at every level of an organization, which seeks greater organizational effectiveness through the enhancement of human dignity and growth. It is a process in the organization, management, union and employees learn how to work together better to determine for themselves, what action change and improvements are desirable and workable in order to achieve the twin and simultaneous goals of an improved quality of life at work for all members of the organization and greater effectiveness for both the organization and the unions.

Richard E Walton had given a much broader concept of QWL proposing eight conceptual categories, i.e., adequate and fair compensation, safe and healthy working conditions, immediate opportunities to use and develop capacities, future opportunities for continued growth and security, social integration in the work organization, constitutionalism, balanced role of work in the total life space and social relevance of work.

The terms, CSR and QWL, are complementary and have considerable impact on its internal and micro external business environment. The domain of application is big and as far as the parameters of both the concept are concerned, one cannot achieve the same in the short run but the organizations aim for them.

## QWL: A Gateway to Implement CSR

In a developing nation like India, HRM concepts, especially QWL can be viewed as a subset of CSR. Includes the development of the quality of life of employees, which in turn, envisages the development of the society at large. This process of development can be better achieved through the implementation of QWL. AS has been stated charity begins at home; organizations through QWL can focus on improving the quality of life of people in the organization at their growth stage. Consequently, it can strive towards undertaking social responsibility as improvement to improvement in quality of life of people who are the part of society at large.

The approach of these concepts may differ in the light of the economic system. Corporate (s) in developed nations may adopt narrow approaches, since they comply with majority of the issues related are at times difficult to meet in the short run in developing nations.

The organization, at the outset, should implement workplace initiatives, a leading indicator or CSR, inculcated in the internal environment of the organization. As far as workplace initiatives are concerned, besides broad parameters stated in the definition of QWL, a few criteria should be taken care of. These include: occupational stress, organizational health programs, alternative work schedule, participative management and control of work, recognition,

congenial worker supervisor relations, adequacy of resources, seniority and merit in promotions, employment on permanent basis, empowerment, etc. After the implementation of QWL, periodic review can be taken for assessment along with a step towards the proper implementation of CSR. The focus of organizations in developing nations as far as CSR is concerned should be on basic 'Ps' i.e., population, Primary Health, Primary Education, Pollution Control, Pure Water, etc.,

#### **.CSR Argument:**

Corporate generally refers to a large company does this mean that the social responsibility only corporate and medium or small scale units are not required to undertake this responsibility? This statement may be debated and discussed. The dictionary meaning of the word corporate is formal of or shared by or whole group and not just of a single member.

It means the group of units in a defined geographic unit may also execute their responsibility towards society by adopting narrow approach.

#### **Annexure 1**

#### **Case: A Corporate Social Responsibility and Work Life - A Case example from**

#### **ABM AMRO BANK**

ABN AMRO Bank firmly believe in a holistic approach in helping our employee manage their work life. We believe that this is a part of our CSR. An employee with a balanced work life is a happy employee, who is in turn, a more engaged and productive employee. Given below is the whole suite of work life programs we have for our employees:

#### **Pro-family Programs**

As a Family Life Ambassador, we encourage our employees to strike a balance between work and family. We organize talks on shared parenting, improving family harmony through feng Shui and handling stress during examinations. We also endorsed the eat with family day every year. One of the highlights is bring your child to work. Our annual Family Day also allows our employees to take time off from work and spend quality time with their Family and colleagues. In addition, we provide the following pro-family benefits:

#### **Profamily Leave**

#### **Maternity Leave,**

#### **Paternity Leave,**

#### **Child Care Leave,**

#### **Family Leave,**

#### **Marriage Leave,**

#### **Compassionate./ Bereavement Leave,**

#### **Adoptive Leave, and**

#### **Unpaid/ Sabbatical Leave.**

#### **New Born Wellness**

To encourage and celebrate procreation; ABN AMRO Bank's, New Born Wellness Benefit provides a one-time sum of \$700 per delivery. In addition, employees will be entitled to \$80 worth of gift vouchers, a teddy bear and a romper.

#### **Flexi-working Hours**

To enable employees to come with their family commitments and work, employees can opt for flexi work hours

#### **Insurance Protection**

We also offer our employees peace of mind while they work with us. Through generous insurance protection programs like 24-hours worldwide, life, personal accident and business travel insurance coverage, we offer financial

assistance to dependants of our staff in unfortunate events.

#### **Staff Loans**

Our comprehensive suite of staff loans, like housing, vehicle, personal and renovation loans at preferential rates is another way the bank provides financial assistance to its-staff.

#### **Wellness Opportunity**

The purpose of this program is to encourage employees to adopt a balanced work life. Employees received S\$ 1,000 (gross) cash for the year 2005 to spend on any other work life programs they wish for but is not organized at the company level, eg., to attend a cooking/baking course, spa treatments, family vacation, etc.

#### **Health is Wealth Programs**

We run many intervention activities to help our employees stay healthy. Some of which are:

#### **Daily Exercise Classes**

ABN AMRO arranges daily exercise classes ranging from martial arts, mind/body, dance and cardio classes for employees to exercise. These classes are held from Monday to Thursday after work for an hour.

#### **Monthly Talks and Workshops on Health-related Issues**

We invite speakers from various specialized fields to share their knowledge on relevant health-related issues.

Some examples are: stress management, coronary heart disease and anti-smoking exhibitions/smoking cessation programs.

#### **Sports Teams**

To encourage a healthy lifestyle, we also have six types of sports, where staff can participate over the weekends. These are dragon-boating, bowling, pool, soccer, badminton and athletics,

#### **Executive Health Screening**

As part of the total health care program, all employees are entitled to the- executive. health screening.

#### **Dental Benefit**

A maximum of \$300 are reimbursable per staff and family for each calendar year.

#### **Optical Benefit**

A maximum of \$300 is reimbursable per staff and family in each calendar year.

#### **Medical Coverage**

Employees and their spouses and children are covered under our comprehensive outpatient and group hospital and surgical insurance.

#### **Medical/Hospitalization Leave**

The bank grants medical leave up to an extensive period of 30 days per annum or 60 days per annum if a hospital stay is involved.

#### **Prolonged Illness Care**

If medical and hospitalization leaves have been exhausted, prolonged illness care which provides further extended absence of 12 months at full (first 6 months) and half pay (subsequent 6 months) will be provided.

#### **Wellness Dollar Account**

In rewarding employees who manage their outpatient limit well, 20% of the unused limit may be carried forward to the following year to be used to purchase health related items.

#### **Social-recreational Activities**

We believe that one must work hard and play hard too. The bank has in place a Social Recreation Club (SRC) that organizes all sorts of social and recreational activities for staff, e.g., movie screening, retreat, karaoke competition, getaways and the annual dinner and dance.

#### **Training and Development**

The bank firmly believes in developing and upgrading the skills of our employees through learning opportunities. Towards this end, staff is nominated to attend all sorts of training programs internally, externally, locally and overseas at both the personal, professional and academic level. In addition, we grant five days examination leave to enable staff to upgrade themselves.

#### **Community Involvement**

We also encourage and help our employees in their passion and pursuits to contribute to society. Under the Bank's Sustainable Development programs, we partner our employees in their spirit of volunteerism and helping society. As a token of appreciation, the bank gives to its employees one day's paid volunteer leave per year.

#### **Conclusion**

To Implement the concept of CSR in the organization, the organization should adopt a focused approach and aim at attaining the various CSR initiatives with the help of different HRM concepts. Specific thrust should be on QWL programs for the manifestation of CSR as it will be effective and efficient as well. The smallest unit of organization at the micro level is the individual employee. Welfare of the employee and his family will serve the purpose of welfare of society also. In a way, this effort would add new dimensions to the CSR.