



samvad



Corporate Social Responsibility

July Issue 2012

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Welingkar Education

From the Editor's Desk

Dear Readers,

Welcome to the July Edition of Samvad!

Being 6 editions old now, it gives me great pride and pleasure to review and assimilate the progress that our magazine has made over this period of time. Along with the growth of the magazine, we have also seen ourselves grow and develop, and indeed better ourselves with time. Being the torch bearers of Samvad, it is our responsibility and honour to bring to you a classic edition of Samvad, month after month. It is our responsibility to shape its future and nurture its growth. This thought also reflects on the theme that we have for this edition—Corporate Social Responsibility.

Surprisingly, for such an important topic, there is no universally accepted definition of CSR. Some may say it as how a business takes account of its economic, social and environmental impacts in the way it operates – maximizing the benefits and minimizing the downsides. Some others may believe that CSR is listening and responding to the needs of a company's stakeholders.

No matter what the definition of CSR is, there is no denying the fact that it has become one of the key areas of prioritization in the Corporate Agenda today, and as students of management education, it becomes our priority to understand and express in greater detail our thoughts and views on Corporate Social Responsibility.

The July edition of Samvad focuses on bringing to all its readers the various dimensions of this topic from a global corporate perspective. We have articles ranging from “CSR and Brand Building”, to “Building India from Within”; from “Green Google” to “Walmart—The Green Retail Giant”.

The creation of Samvad has been the result of the contributions of many key individuals. We wish to thank everyone who has been a part of the inception and development of this magazine. We thank our Group Director Professor Dr. Uday Salunkhe for his constant motivation and support. We thank our friends and colleagues for their valuable suggestions. Above all, we thank all the students of the various MBA colleges who have sent their articles for this issue. Without your excellent contributions, this issue could not have been successful.

We hope you stay with us, read with us, share with us and grow with us!

Hope you have a great time reading Samvad!

Best Wishes,
Team Samvad.

Acknowledgments

Team Samvad likes to extend their heartfelt thanks to certain key members of the We School family for their special efforts towards the making of this magazine.

We deeply appreciate the constant motivation & encouragement that our beloved **Group Director Prof. Dr. Uday Salunkhe** has always given us. His vision & result orientation has been the driving force in creating brilliant leaders and making WeSchool a name to reckon with, not only in India but also globally. His focus on the core values of Passion, We Link & Care, Result Oriented Process Driven Work Ethic and Breakthrough Thinking has formed the foundation of all the activities that we undertake as students of this esteemed institute.

We deeply appreciate the help and support given to us by both **Prof. Amarkant Jain** and **Prof. Deepa Dixit**. Their insight and expertise is our driving force to ensure the sustainability of our magazine.

The team is grateful to **Ms. Yashodhara Katkar** and the PR team who have been a constant support to us, right from the start. They have made it very easy for us to reach out to our readers and their contribution to our magazine is truly invaluable.

We appreciate **Prof. Indu Mehta** for her help in selecting the best Marketing articles. Prof. Indu Mehta is part of our core Marketing faculty at WeSchool. Her readiness to help for the magazine's cause is highly commendable. She ensured that all the articles were graded on common parameters in line with the theme of the month.

We thank **Prof. Sapna Malya** for screening and evaluating the Finance articles. Prof. Sapna Malya is a Chartered Accountant with more than 12 years of teaching experience. Her promptness and enthusiasm for Samvad is heart warming and we are extremely thankful to her.

We extend our heartfelt appreciation and thanks to **Prof. V H Iyer**, Dean of Management Development Programs, for evaluating the articles for the Operations domain. He has many years of teaching experience in the field of Operations.

We are grateful for the help and support lent to us by **Prof. Chitralekha Kumar** during the making of our magazine. Her readiness to help and encouragement went a long way in the successful completion of this issue.

We are indebted to **Prof. Jalpa Thakker** for all her help and guidance in the making of Samvad. Her insight and suggestions have been of tremendous benefit to us. The Samvad Team would truly be incomplete without her.

About Us



OUR VISION

To nurture thought leaders & practitioners through inventive education

CORE VALUES

Passion

We Link and Care

Result Oriented, Process Driven Work Ethic

Breakthrough Thinking and Breakthrough Execution

“The illiterate of this century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn.” - Alvin Toffler

At WeSchool, we are deeply inspired by these words of this great American writer and futurist. Undoubtedly, being convinced of the need for a radical change in management education, we decided to tread the path that leads to corporate revolution.

Emerging unarticulated needs and realities need a new approach both in terms of thought as well as action. Cross disciplinary learning, discovering, scrutinizing, prototyping, learning to create and destroy-the mind's eye needs to be nurtured and differently so.

We school has chosen the 'design thinking' approach towards management education. All our efforts and manifestations as a result stem from the integration of design thinking into management education. We dream to create an environment conducive to experiential learning.

Message from the Group Director

Dear Readers,

Welcome to the July Edition of Samvad.

'Samvad' stands for constructive and synergistic dialogue. We believe in the same philosophy here at WeSchool. We need to recognize the significance of communication, 'Samvad', for developing people-skills because newer possibilities are created when you speak and interact with people.



**Prof. Dr. Uday Salunkhe,
Group Director**

At WeSchool, we constantly strive to create and nurture managers who are thought leaders through inventive and innovative education. This is absolutely necessary since the world has become highly competitive and Innovation is the order of the day. To enable this, WeSchool has set up an ecology that is set to encourage people to put design thinking in action.

















Today, the rules of the game have changed. We often hear about terms such as globalization, triple bottom line, disruptive innovation, sustainability, social responsibility, ethics, governance and the list goes on. To keep abreast with these dynamic changes, there is a dire need for students to develop a global mindset, increase their awareness, inculcate a holistic thinking approach, and nurture a sense of empathy and ethical perspective while employing business best practices. At WeSchool, all our efforts are towards grooming our students with these qualities and skill sets.

Samvad is a platform to share and acquire knowledge and develop ourselves into Integrative managers. The first two issues have been launched and received with much appreciation and applause from our faculty, alumni and business readers. I am extremely pleased that the Samvad team has continued their sincere efforts to bring to you a better edition this time. It is our earnest desire to disseminate our knowledge and experience with not only WeSchool students, but also the society at large.

I welcome you to the World of Welingkar.

Prof. Dr. Uday Salunkhe,
Group Director

Contents

	WeAct	07
	The Changing Face of CSR	08
	Framework for Corporate Social Responsibility	11
	Building India from Within	14
	CSR – Present Day's Need and Necessity	16
	Synergy between HR and CSR	18
	Quote Unquote	21
	Wal-Mart – The Green Retail Giant	22
	CSR & Brand Building	25
	CSR – What is the Real Motive?	30
	Accenture CSR	32
	Patient Capital	36
	Potential at the Bottom of the Pyramid	40
	Green Google	44
	CSR – An Operations Perspective	47
	CSR and Supply Chain Management	50
	The Operational Dimensions on CSR	52
	How Responsible is the claim of being responsible?	54
	WeCare	56

Nurturing Corporate Leadership in Turbulent Times

The workshop on 'Nurturing Corporate Leadership in Turbulent Times' dwelled upon some of the leadership challenges faced by organisations today along with meaningful engagements with visionary leaders in the corporate space.

As Peter Drucker rightly said – “Management is doing things right; leadership is doing the right things.”

The term 'leadership' is often misused these days in the corporate world and the funny part is that leaders are not to be blamed for it. Turbulent or rather tough times call for effective leadership skills as well as leaders who can effectively manage their teams.

The theme of this workshop was 'Creation of innovative thought leadership skills: Achieve sustained success across economies and cultures'. 60 delegates representing a wide cross-section of business, industry and management institutes in Mumbai attended the workshop and with their expertise and acumen shared some interesting insights on various topics pertaining to the corporate domain.

While a plethora of sessions were designed to grab the audience's attention, the workshop succeeded in providing insights into how leaders could be developed and who can systematically create a business which is better at satisfying the customer, is more effective at using its human resources and is more rewarding to its shareholders. The workshop highlighted that the most differentiating and influencing factor is people strategy, work culture of an organisation and the role of innovative leadership capability. 'Changing paradigms of global corporate leadership'; 'Nurturing corporate leadership: Indian experience'; were a few sessions that shared valuable insights.

As Dr. John Demartini, chairman, Demartini Institute, USA in his keynote said, “Being a master of persistence means embracing both support and challenge in the pursuit of your dreams.” Kane Minkus and Jeff Slayter, co-founders of Industry Rockstar System USA shared the six Rockstar domains which help focus the attention on where your greatest challenges/opportunities exist in reaching your success. “Everything stems from your expertise – which overlaps with your passions,” they said.

Proposing an interesting model of global mindset for emerging global managers, Prof. Natarajan Sundar, business school professor in London and formerly VP – global reward, Unilever Plc, and head of reward and performance management, British Gas Group, UK noted, “What global leaders often face are not problems but paradoxes, which require finding the right balance between global approaches and policies and the local context and needs. This calls for a global mindset.”



Pic: (L-R) Vijayan, Dean HR, WeSchool welcoming the speakers; Kane Minkus – co-founder of Industry Rockstar System, USA; Dr. John Demartini, chairman, Demartini Institute, USA; Shabbir Wahid – CEO & MD of Future Competency, Australia; Prof Natarajan Sundar, business school professor from UK

Featured Articles

The Changing face of CSR

By: Shreya Pradhan, MMS(2012-2014), WeSchool Mumbai

The most common Corporate Social Responsibility (CSR) approach followed by Indian organizations nowadays is philanthropy. It includes making monetary donations and other things such as building schools, hospitals and planting trees. Although noble, this approach has often been criticized by many, as it does not develop a community or its skills and also does not provide any returns to the organizations.

So, what is the best approach? A business plan which is based on a strong model of CSR. This very strategy is used by “The Body Shop”. You must be familiar with The Body Shop if you are an advocator for using organic skin care products. The Body Shop is known worldwide for its use of natural ingredients in more than 900 beauty products that it offers.



Image Source: www.happyhealthygreen.co.nz

Founded in 1976, The Body Shop currently has over 2400 stores in 61 countries. It expanded at a rate of almost 50% annually since its establishment. Besides being an organic brand, it has also opposed the testing of products on animals. All its products are animal cruelty free and vegetarian. The irony does exist that The Body Shop is a subsidiary of L’Oreal which is involved in animal testing. Nonetheless, many reports suggest that L’Oreal will be going cruelty-free by 2013.

“I just want The Body Shop to be the best, most breathlessly exciting company – and one that changes the way business is carried out. That is my vision.”

Dame Anita Roddick. Human Rights Activist.

Founder of The Body Shop.

General Management



Image Source: www.crueltyfreeinternational.org

Now, the most important aspect of the CSR business strategy used by The Body Shop is the practice of FAIR TRADE. This promotes a sustainable business and has a lasting impact on both the community and the organization. This year Body Shop has completed 25 years of Community Fair Trade. It is a trading practice in which the company pays producers (usually small scale farmers and artisans) a fair price for what they sell. Community Fair Trade works with 30 suppliers in more than 20 countries, providing a source of income to particularly those from third world countries and the consumers benefit from the high quality ingredients.



Image source: www.mizzworthy.com

The Body Shop has also been a proponent of many social causes. It has been actively involved in campaigns such as global awareness of domestic violence and the fight against human trafficking. Owing to its efforts in preserving human rights and environmental-friendly practices, The Body Shop has earned a lot of staunch supporters and followers.

Body Shop

We're different because of our values

AGAINST
ANIMAL
TESTING

SUPPORT
COMMUNITY
TRADE

ACTIVATE
SELF
ESTEEM

DEFEND
HUMAN
RIGHTS

PROTECT
OUR
PLANET

Image Source: www.thebodyshop-usa.com

The Body Shop has flawlessly created a win-win situation. There is an increasing demand by the consumers for chemical-free, organic beauty products which makes this brand one of the leading players in the market. It has brought about the upliftment of communities through fair trade. Being committed in its civil rights campaigns, it has also reached out and connected to millions of people.

This brand has taken sustainable CSR to a new level. Formulating a plan keeping in mind the society and the stakeholders has become a necessity of business. The world is changing and so is the face of CSR...

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General Management

Framework for Corporate Social Responsibility

By: Archana Mishra, PGDM(2011-2013), NMIMS Hyderabad

In CSR world, few terms are often confused by the people. Corporate Governance & Corporate Social Responsibility are often interchangeably used when they indeed are distinct ideologies. To define CSR, Corporate Governance forms an essential part, but not actually it. Good Corporate Governance is more about values than rules. CSR is about those values manifesting themselves in the corporate environment. There is a thin line between CSR and Corporate Governance which is hard to segregate. CSR is yet to be practiced by most of the companies in India.

CSR includes three activities:

1. Accountability
2. Sustainability
3. Transparency



Image Source: [http://strategis.ic.gc.ca/epic/site/csrse.nsf/vwapj/stakeholder.txt/\\$FILE/stakeholder.txt](http://strategis.ic.gc.ca/epic/site/csrse.nsf/vwapj/stakeholder.txt/$FILE/stakeholder.txt)

CSR is the physical manifestation of Corporate Governance & so needs some allowance for developmental change as the organization mature their attitude towards its shareholders. Risks which is borne with CSR might lead a company to financial impact, however if it has strong Corporate Governance Principles, it will bounce back quickly. Many companies consider governance to be a part of investor relationship & CSR as part of relationship with the stakeholders. While other companies consider CSR to be a tool for risk management. CSR is a complex regulation process with multi-stakeholder business-model & global supply-chain. Most of the Corporate Governance and CSR practices overlap with each and most often one drives other.

CSR

CSR to be a tool for risk management. CSR is a complex regulation process with multi-stakeholder business-model and global supply-chain. Most of the Corporate Governance and CSR practices overlap with each and most often one drives other.

Voluntary Guidelines were issued by the Indian Government for CSR which states that Indian Companies should have CSR initiatives as an integral part of their business and should be strongly aligned with their business goals. Guidelines addressed six core issues:

1. Value to all the stakeholders i.e. customers, employees, shareholders, suppliers, society, people involved in the project, and make them aware of the inherent risks and strategies adopted for mitigating them.
2. Disengagement in those business practices which are anti-competitive, corrupt, unfair or abusive.
3. Respecting the rights of workers in aspects of freedom of association, career advancement and workplace environment.
4. Respecting the Human Rights.
5. Adopting environmental policies which are sustainable, preventing pollution, reducing wastes, managing natural resources and recycling.
6. Activities should be undertaken for social and economic development of geographical areas and communities.

Let's look at CSR with a Different Perspective:

- Many of the corporate believes that CSR converge with Corporate Governance at the value level: They believe that good governance is mostly about values than rules. CSR is a way of expressing and living those values. Governance which is value based include program which governs long and medium term actions, adopting an approach for the reconciliation of short-term profits along with long-term profitability. To resolve the emerging accountabilities, most companies agree that there is a need to embed Corporate Social Responsibility in their governance structure.
- While other corporate believes that CSR is connected with the corporate governance only at operational risk level: Good Governance also includes risk management - CSR addresses the environmental and social risks. CSR risk can impact the companies financially and thus needs to be managed. Risk management also includes leveraging of the market opportunities by growing business in competitive and new ways. The requirement of CSR is that companies should consider the long term sustainability and not short term gains.
- It is also believed that boards are fully or partially responsible for the sustainability of triple bottom line in environment, people and profitability.
- Board should obtain and demand holistic view of all the risks on-and-off the balance sheet as well as measures adopted to mitigate them.

General Management

CSR Implementation Framework:

CSR implementation structure or framework which is well designed integrates environmental and social decision making across the firm – supply chain partners and front line officials to the board of directors and gets appropriately adhered to the corporate governance. It creates value for all its stakeholders.

Table : CSR Implementation Framework

When?(Conceptual Phase)	What?(Task delineation)	How?(Checkpoints on the journey)
Plan	1. Conduct a CSR assessment	<ul style="list-style-type: none"> • Assemble a CSR leadership team; • Develop a working definition of CSR; • Identify legal requirements; • Review corporate documents, processes and activities, and internal capacity; and • Identify and engage key stakeholders.
Plan	2. Develop a CSR strategy	<ul style="list-style-type: none"> • Build support with CEO, senior management and employees; • Research what others are doing, and assess the value of recognised CSR instruments; • Prepare a matrix of proposed CSR actions; • Develop ideas for proceeding and the business case for them; and • Decide on direction, approach, boundaries and focus areas.
Do	3. Develop CSR commitments	<ul style="list-style-type: none"> • Do a scan of CSR commitments; • Hold discussions with major stakeholders; • Create a working group to develop the commitments; • Prepare a preliminary draft; and • Consult with affected stakeholders.
Do	4. Implement CSR commitments	<ul style="list-style-type: none"> • Develop an integrated CSR decision-making structure; • Prepare and implement a CSR business plan; • Set measurable targets and identify performance measures; • Engage employees and others to whom CSR commitments apply; • Design and conduct CSR training; • Establish mechanisms for addressing problematic behaviour; • Create internal and external communications plans; and • Make commitments public.
Check	5. Assure and report on progress	<ul style="list-style-type: none"> • Measure and assure performance; • Engage stakeholders; and • Report on performance, internally and externally.
Improve	6. Evaluate and improve	<ul style="list-style-type: none"> • Evaluate performance; • Identify opportunities for improvement; and • Engage stakeholders.
Cross-check: One cycle completed		Return to plan and start the next cycle.

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Real Estate

Building India from Within

By: Chandni Tolaney, PGDM-BD(2012-2014), WeSchool Mumbai



Image source: <http://www.carolsanford.com>

‘A school in Nalla Sopara with fees affordable to economically weaker sections of the society and a scholarship for 3500 students.’ This would seem like a new school under some Government Policy or some NGO initiative. Right? Wrong, the school I am talking about is one of the two Schools Run by Lodha Builders under their CSR Initiative, the Lodha Foundation.

Gone are the days where CSR was restricted only to one day event like clean up beach campaigns or a visit to orphanage or old age home. With the awareness of CSR building up the Real Estate Sector has also started taking measures in their operations. The top builders of the nation have realized that it is high time they start returning the good deeds back to the society. It is nice to know that under their CSR initiatives they are not restricting themselves to creating green projects for the elite group but their programs are targeted towards the poorer sections of the society.

The goal of CSR is 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.

Let's have a look at some of the visionaries who have steered their companies over several decades and how are the involved with giving back to the society.

The Lodha Group's vision of 'Building a Better Life' extends to its social responsibilities to the society and the community at large, to create a better life for its brethren in the society through proactive social initiatives.

General Management

They have a medical van which acts as a mobile clinic visits two different areas daily and range of services are provided to the slum and chawls which include, general check-up, blood glucose measurement, BMI, ECG scan, CBC count etc.

The Lodhas have also taken a step ahead in women empowerment. Over 300 women who have no family support or source of income are assisted with a monthly ration comprising of grains, pulses, oil, spices etc. They are also trained to be self reliant. They have also carried out massive cleanliness drives are carried out to clean up places which even the BMC refuses to cleanup - the house gullies.



Image source: <http://www.carolsanford.com>

On similar lines we all see Runwal Developers contributing their part by funding education for under privileged children via the Subhash Runwal education trust. Scholarships are provided to round 100-150 students every year.

They also have two residential hostels in Thane and Mulund, and a third residential hostel is under construction in Vashi. The group is going green by incorporating measures such as recycled water, increased plantation and safe sewage norms in their new projects.

Another builder doing a great job in this field is Lokhandwala Infrastructure. They believe in going beyond the call of business and call themselves as 'City Developers' and not and not just any construction company. The Director, M.Lokhandwala is an active member of Lions Clubs International and donor to National Association of Blind. For him 'It's Not About Saying, It's About Doing'. Under his leadership several Lions Clubs have organized service projects such as free medical & eye checkups, blood donation camps, diabetes checkup, polio corrective surgery, cataract operations etc.

Lokhandwala Foundation undertakes many charitable activities, such as granting aid to schools, colleges and educational institutions, hospitals, medical schools, colleges, orphanage, etc.

With this we see that while the real sector is constantly moving ahead on the path of progress, they strive to do their bit towards the betterment of the society. Thus this very thought makes Indians what we are today. With such visionaries it is safe to say that our future generations are in safe hands.

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Need for CSR

CSR- Present day's need and necessity

By: Abhinav Sridhar, Divyakumar Jotwani & Rushabh Shah, PGDM(2012-2014), WeSchool Mumbai



In this world of cut throat competition where growth is expected to be in all respects, it is quite ironic that sometimes certain voluntary involvements for societal growth are overlooked. Profit no doubt being the most important yardstick of success for an organization but in these days of growing competition corporate social responsibility known to be as CSR has become a necessity for an organization to sustain its overall growth in this complex business environment. This is not just be treated as a need to sustain but should be pursued as something to be performed from the heart of the organization as it deals with providing growing positive impetus to the society as a whole

The various departments of an organization collate, collaborate and put together efforts to ensure that it is in maintaining an upward slope in its progressive graph. Similarly, in case of any responsibility that an organization the onus lies on each of these departments broadly classified as the HR, Finance, Marketing, Operations to name a few to together ensure that the organization puts in place a plan to recursively and timely give back to the society in a selfless manner. This giving back need not only mean to be monetary support but also build something cultural and motivational which can be a driving force for people to take up independently going forward even if the organization ceases to exist in a later point in time.

Now having mentioned the various building blocks of the organization, and their need to contribute for an effective social role of the company; let's focus on the need and contribution that can be provided by the HR team to build a very robust CSR model for its employer. It is the HR of any organization which maintains the close proximity with its employees apart from the general immediate colleagues. Thus, a drive for doing a social cause within the employees can very easily be motivated by members of the HR department which could sustain for a long time, given the case that genuine 360 degree feedback is put in place for all such initiatives. The HR

in an organization plays an important role in building the socio cultural image of an organization and the initiatives inculcating CSR are a very strong and positive feed for the same.

There are many organizations these days that are coming with inspirational social responsibilities which act as a catalyst for others. Dell a company known for its laptops and PC's is a well-known enterprise maintaining an upbeat and collateral CSR along with its dominance in its domain of excellence. There are quite a few initiatives taken up by their HR department. They have also drafted



Image Source: <http://www.greenbiz.com>

Human Resources

a number of policies and put them in place to ensure that the environmental, climatic and ecological balance is not perturbed and is enhanced to lead to a sustainable tomorrow which is global mantra these days. Following are some of the initiatives taken forward by DELL as a global brand.

- Climate Change is Real and Must Be Addressed: Dell recognizes that climate change is real and must be mitigated, and we support efforts to reduce global emissions to levels guided by the evolving science.
- REACH (Registration, Evaluation, Authorization and Restriction of Chemicals, EC 1907/2006) is the European Union's (EU) chemical substances regulatory framework. To allow safe use of products, REACH requires Dell to provide customers with sufficient information on substances of very high concern (SVHC) present in products in concentration above 0.1 percent weight by weight (w/w).
- Ecolabels are a great way to know more about the environmental impacts of products when you shop. To make it easier for you to shop 'green' at Dell, it has put together a list of all eco-label certified Dell products.

The above was an example as to how an organization just by the use of its policies and framework can ensure that there is equivalent growth of the society it flourishes its business on and also simultaneously making potential inroads in its domain of expertise. The framework and policies a organization furberishes are a direct result of the efforts of its HR and hence this article emphasizes the need and subsequently the reach the HR of an enterprise should exercise to ensure that a Corporate Power house is Socially Responsible as well.

Finally it is not only up to one individual or one organization which can turn round the apathy of the entire world. A collective effort needs to be enforced to help us make our Mother Earth a better and a livelier place to live in. An effort with an initiative in the right direction could act as a motivational factor for the society as a whole.

“Charity begins at home however don't keep it to your home alone”.



Image Source: <http://www.greenbiz.com>

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Synergy

Synergy between HR and CSR

By: Eshita Sehgal, PGDM(2012-2014), WeSchool Mumbai

“If I could change one thing about HR.... I would get HR to wake up to CSR. This is the time”, Elaine Cohen, author of the book CSR for HR. Human Resource (HR) and Corporate Social Responsibility (CSR) are connected and extremely important aspects of any organization today. The objectives of Human Resource Management focus mainly on the aspects of employee recruitment, development, retention and motivation. Corporate Social Responsibility, along similar lines, deals with the balanced integration of the social and environmental factors in and out of the organization and its specific dealings. The linking of policies of HR and CSR in any organization need to be transparent and widely followed through all levels of the organization, which in turn would reflect in the decisions and actions taken by the company. This mutual relationship should exist without having two ways about it as, “CSR is an opportunity and professional responsibility for HR managers”, Elaine Cohen.



CSR FOR HR

Image source: <http://www.carolsanford.com>

A high priority for the HR managers is to build a conducive work environment for the employees in the organization and this can be achieved to a great extent by incorporating a CSR culture. In today's work place, the programs that are offered by CSR are a must have for the HR departments as it is widely recognized that staffing is a risk to business. High employee turnover, training, high recruitment cost, high training costs and loss of employee, sum up to being a great expense for any company in today's workplace scenario. These costs can be curtailed by implementing the CSR programs and strategies which are aimed at increasing employee satisfaction towards the job. These programs provide a sort of a platform on which employees can express their feedback, concerns and complaints, increasing employee connection and identification with the organization. These positive feelings with ones organization infiltrates to other aspects of the organization including the clients. This aspect of CSR is a great gift to HR as it provides certain strategies to help the social aspect in the organization rather than addressing concerns only pertaining to the external audiences.

Appraisals are an integral part if any organization, as they evaluate the performance of each employee in the organization. In several studies it has been noted that HR managers globally

Human Resources

are including CSR as a performance evaluating tool in the appraisals conducted in the organization. Almost 68% of HR managers interviewed by a study done by Strandberg Consulting, Canada, have cited that the inclusion of CSR in the appraisals as “increasing important” (Lockwood, 2004).

Employee friendly policies are another very important aspect that companies committed to CSR must adhere to. Treating the workforce as a society and addressing their needs is a CSR policy which if implemented would bring gains to the organization as well as the employees. Being responsible for the mental and physical health care of an employee brings great gains to either side of the party, as it increases job satisfaction which in turn increases productivity. A landmark study conducted by the Society for Human Resource Management (SHRM) in 2006, reveals that CSR practices are seen as important to employee morale (50%), loyalty (41%), retention (29%), recruitment of top employees (25%) and productivity (12%), (Percentages reflect Canadian Responses) (SHRM, 2007, p. 27).

HR departments are an extremely important force that can enhance CSR in their organizations, by simply including some practices which do not only help the employees but also the environment. By encouraging employees to “go-green” by saving paper, recycling, reducing power usage and other similar initiatives can make the employees a sort of a symbol of change which can be carried from the workplace into the society at large. As every aspect has a flip side, so does the link between CSR and HR. Some critics have commented upon the fact that if in an organization the trust upon CSR is lost due to its malfunctioning, it is very hard to gain it again. It is the responsibility of the HR departments to ensure that the practices of CSR are communicated well and followed through the entire firm. This requires being in close contact with all the departments and make sure that all the levels are working in unison.

It is known that most companies have designated teams which look after their CSR culture in the organization; however some of these teams are a failure. In order to derive a CSR strategy it is important to concentrate on the company's core values, communicate them well to others, engage the employees in the practices and have a method to monitor and evaluate the CSR. This will weave in a deep rooted CSR culture in the entire organization.



Image source: <https://www.dubaichamber.com>

The link between HR and CSR is here to stay and get stronger in the future. Case studies have

Synergy

shown that the companies that have implemented these policies and strategies and have seen favourable results. Novo Nordisk, a high-value CSR pharmaceutical company in Denmark, for example, after launching their Values in Action program, which aligns their business objectives with sustainable development principles, saw a 5% drop in staff turnover, while Sears found a 20% reduction in staff turnover since implementing their CSR program. (Skinner, 2002, p.1).

The link between HR and CSR and the great benefits that come from this relationship have been well examined, supported and stated. However, it has been noted that the incorporation of CSR in the HR policies have been very limited. Highlighting the importance CSR, Aman Singh Das, Editor, Corporate Responsibility, has commented that, “A new corporate consciousness is redefining that way we conduct business, and a company’s HR department must embrace this and lead the change by ensuring that they continue to attract the right talent”. One without the other is not a favourable situation for an organization as many critics have noted that HR without CSR is merely equal to PR and on the other hand when CSR is rooted in the organization is gives rise to human potential..



Image source: <http://www.randstad.co.nz>

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Quote Unquote

Indra Nooyi Speaks...

“Basically, our goal is to make sure that when it comes to water and energy, we replenish the environment and leave it in a net zero state. So across the world we have unleashed the power of our people to come up with ideas to reduce, recycle replenish the environment and we are making great progress by reducing how much water we use in our manufacture and the carbon footprint that we put on the environment. As a consequence, what we are seeing is an incredible investment in all these environment initiatives. But is otherwise really in two ways, one is tangible financial investment, second is a huge return on investment and because new employees are usually idealistic young people who just graduated from college. They want to come to a company to work for a purpose, that is wise about the next generation.”



Image source: <http://www.bnpparibas.com>

Ray Anderson Speaks...

“For nearly 11 years, now, we have been on this mission; we call it, “climbing Mt. Sustainability”, a mountain higher than Everest, to meet at that point at the top that symbolizes zero footprint—zero environmental impact. Sustainable: taking nothing, doing no harm.”

Wal—Mart

Wal-Mart: The 'Green' Retail Giant

By: Anmol Verma & Mohil Chhabra, MBA(2011-2013),
University Business School, Panjab University, Chandigarh



Image Source www.theatlantic.com

Serving people in 27 countries on a scale which is unbeatable as of now speaks volumes about this retail mammoth. But what actually matters in today's era is serving the environment of these 27 countries. This is where toughest part of corporate social responsibility starts. Wal-Mart being at the top of the critics list for its social attitude has started to regain the sympathy of the critics with number of initiatives towards building a sustainable environment. Some of their initiatives have been admirable Moving from 15th to 3rd spot in EPA green power rankings 2012 and among the top 15 in the Newsweek's Green Rankings are some of the highlights.

Adding to these there are endless awards in Wal-Mart's kitty. Checking some of them below mentioned initiatives adds to the social responsibility as well as "Greenness" to the Wal-Mart's crown.

Renewable Energy Approach

Wal-Mart has pioneered the art of intertwining environment and economics into one powerful cocktail of success. The company has been able to break down the seemingly complex sustainable strategy shift into different compartments of endeavors. Best example to quote the company's effective implementation is the punching of holes in the roof of a supercenter in Lancaster, which has helped in reducing 70% usage of lighting during daylight. Also in order to keep the building cool it has painted the walls white hence again reducing the electricity bills.



Image Source:
www.greenretaildecisions.com



www.walmartstores.com

Wal-Mart has installed 115 rooftop solar installations in many countries and thus delivering 71 million kilowatt hours of electricity annually to their stores, which is huge. 26 fuel cells have also been installed in U.S to deliver 65 million kilowatt hours of electricity annually. The company has been recognized as the fourth largest green power purchaser in the Fortune 500.

Marketing

348 stores in Mexico are supplied by wind power, catering to 17% of energy needs of Wal-Mart Mexico. This has reduced CO₂ emissions by an estimated 137,240 tons annually. 350 stores in Texas receive up to 15 percent of their electricity needs through a four-year agreement to purchase clean energy from Duke Energy's wind farm in Notrees, Texas. 14 stores in Northern Ireland supplied by wind power, with 100 percent of the electricity into those stores both affordable and renewable.

To date, Wal-Mart has more than 180 renewable energy projects in operation across their global portfolio, providing more than one billion kilowatt hours of renewable electricity annually (enough to power 78,000 American homes every year). 22 percent of Walmart's electricity needs globally are supplied by renewable sources.

Wal-Mart China completed the installation of a roof-mounted solar system at its Xiangmihu store in Shenzhen, which was a result of four years of preparation by the diligent Wal-Mart China team. Now, this solar system has the potential to reduce greenhouse gas (GHG) emissions by 430 tons annually.

Reduced waste by 80 percent

Wal-Mart is working towards an absolutely zero waste tolerance operation level. Again, the scale of the company is an ample incentive to pursue such a plan. In 2011, Wal-Mart kept 80.9 percent of all waste generated by their U.S. operations out of landfills. Wal-Mart does this by converting the food and other organic wastes into animal feed, energy and compost. This had the potential to prevent 11.8 million metric tons of CO₂ emissions annually. Their zero-waste-to-landfill program returned more than \$231 million to the business last year through a combination of increased recycling revenue and decreased expenses. This was not only done in United States, but globally as Wal-Mart in China and Brazil diverted 52 percent of operational waste from landfills in 2011. And in U.K., they now send zero food waste to landfills. Now, Wal-Mart is on track, for its U.S. stores to cease hauling waste to landfills by 2025 and is setting an example for other biggies to come in line with this.



Image Source: www.walmartstores.com

Wal—Mart

Adding to this Wal-Mart has also put its step forward in tracking the reduction in food throwaways for which a goal baseline for 10% reduction by 2015 has been set. Also, Wal-Mart has put in a weight reduction of close to one-thirds of the total plastic bag usage. Streamlining the packaging of products has also contributed close to 14% in reducing the plastic usage. Here thermoform which is a mixture of different kind of plastics is used as a substitute to the non-renewable plastic.



Image Source: google images

Protecting the Waters

Environmental sustainability never ends if the waters are left un-checked by the company. Wal-Mart with its state of the art facilities has been able to help its U.S poultry suppliers reduce the water usage by more than 1 billion gallons in the past two years. Also adding to this Wal-Mart Mexico is the leader in water stewardship project implementation. With installation of water treatment project along with rain-water harvesting system, both these projects has reduced the dependence on outside water by close to 75%, as per Wal-Mart's Global Sustainability Report 2012. Wal-Mart China reduced the dependence on water by 50% by 2010. The transition to a greener Wal-Mart continues, but still has a long way to go. The horizon which Wal-Mart has touched with its global green supply chain campaign is turning out to be a bench mark for many industries. Having said that, an intrinsic approach to these endeavours results in higher reputation and equity gains in mid-term, which ultimately translates into far more value for the firm. Wal-Mart has proved its seriousness about reduction in the environmental impact which has led the critics to unclench their fists for a round of applause, at least for the moment.

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Marketing

CSR and Brand Building

By: Abhishek Pardeshi, MBA (TM 2011-2013),
Symbiosis Institute of Telecom Management, Pune

In words of Dame Anita Roddick, “being good is good for business”. The entirety of CSR can be discerned from three words ‘corporate’, ‘social’ and ‘responsibility’ which is mapped to the triple bottom line for CSR, i.e. people, planet and profit. Therefore, CSR covers the responsibilities profit organization has to the societies under which they are based and operate.

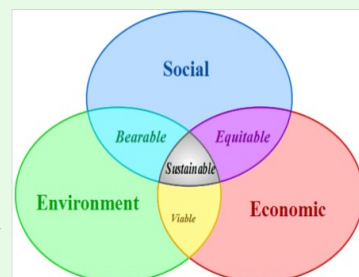


Image Source: google images

Times Foundation Survey:

Do u know?

A paper company manufactures paper from waste cloth to reduce the use of pulp from trees

A Chemical manufacturer has protected the largest stretch of mangroves along Mumbai's coast

A software company has developed a special call receiving software for 1098-Childline, India's national helpline for children in distress

An FMCG company is working to protect and conserve endangered plant species in India through re-forestation programme

Don't Drink and Drive is the CSR campaign of a leading company that makes alcoholic beverages

According to a recent survey, key issues in CSR are environmental management, responsible sourcing, stakeholder engagement, labour welfare, community relations, gender equality, good governance and anti-corruption measures.

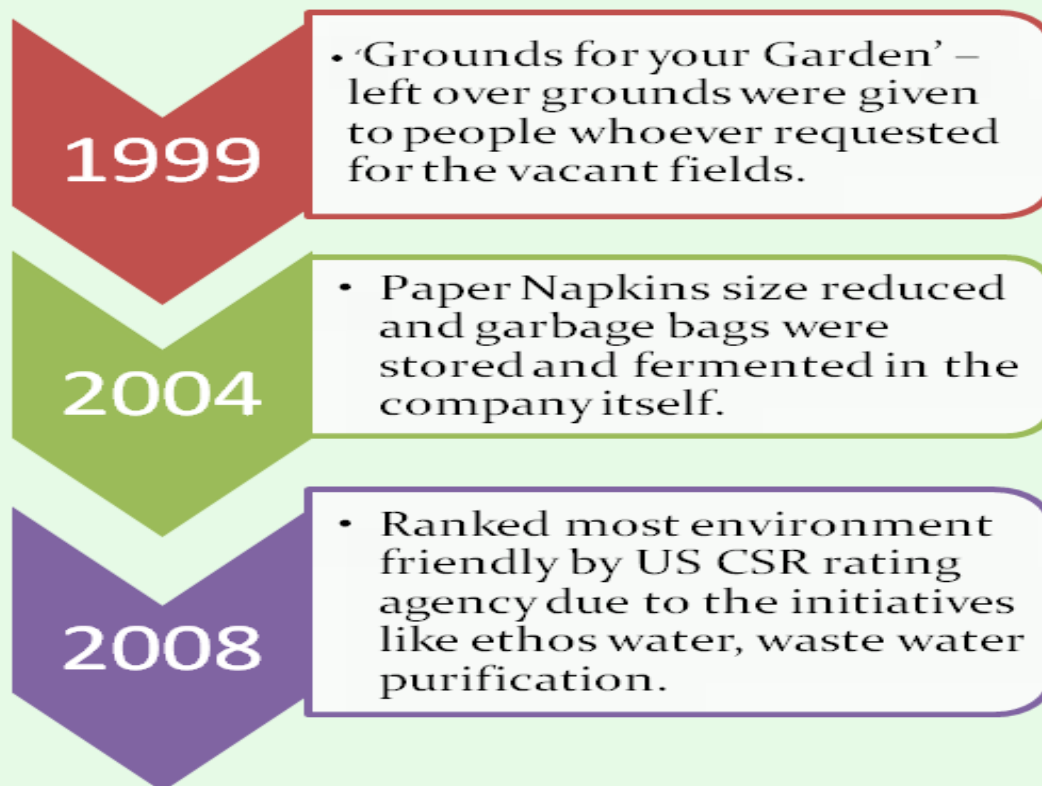
The top 10 ranked companies in CSR in India were:

1. TATA Group (67%)
2. Infosys (13%)
3. ITC (12%)
4. NTPC (11%)
5. Anil Dhirubhai Ambani Reliance Group (10%)
6. Ambuja Cement (9%)
7. Microsoft (7%)
8. Wipro,
9. BILT and L&T (6% each).

Brand Building

The Success Stories:

Starbucks:



ITC:



Image Source:
www.echoupal.com

ITC is known for building public private partnerships, social and farm forestry, reviving Indian Classical music and the e-Choupal initiative. ITC is one of the few Indian firms to come up with a dedicated Sustainability Report year on year, and they are GRI - G3 Compliant Application Level A+.

Be it PR or advertising campaigns such as 'Responsible Luxury' for ITC Hotels, Mission 'Sunehra Kal' for rural capacity building which is water purification and conservation of forest resources ITC has used CSR to best of its advantage. It has also entered the stationery segment using the eco-friendly 'Paper Craft' premium paper brand .ITC recently declared that it had cut losses in its non-cigarette portfolio of personal care products and packaged foods by a record 35% in fiscal 2012 and credit goes to e-choupal.

Marketing

McDonalds:

McDonalds campaign of 'I care for Eye Care' is gaining momentum and helping McD to raise money for the blind children in India considering the fact every 4 minutes a child gets blind. It being brand which mostly attracts children and youth is helping to enhance its brand image especially among its target segment.



Image Source:
www.mcdonaldsindia.net

Hindustan Unilever Limited:

HUL's success in reaching out to women self-help groups across the country, and giving them a sustainable livelihood source has been so successful that the model has been taken to Srilanka and Bangladesh. It's not surprising that HUL's 'Small Actions, Big Difference' has been translated to 3 of the top 10 brands in India being HUL brands.

 Hindustan Unilever Limited	
HINDUSTAN UNILEVER-VANARAI	
OBJECTIVE	To improve farmers' livelihood through water conservation.
SCALE	5 villages; 325 families
LOCATION	Silvassa
ACHIEVEMENT	Over 60 million litres of water have been harvested since 2004.

Image Source: www.hul.co.in

NTT DOCOMO:

NTT Docomo provided every kind of help to its customers after the Great East Japan earthquake like restoration of area maps, free loans of mobile phones, free wireless LAN areas, waiving service charges and basic monthly charges for customers affected by disasters, providing cheaper data cards.

Failures in CSR:

Reliance Industries:

Some of the CSR activities shown Fig.3. The public perception of Reliance though is that of a corporate entity which doesn't give back enough to the society. The question then becomes, is Reliance not doing enough CSR? Or is it not marketing its CSR as well as other companies is? This is a pretty dicey question and the answer probably lies somewhere in between. Reliance Industries has won a lot of awards at the corporate level for their social work but the general public is more or less unaware of these developmental actions. Reliance Industries majorly operates in the Oil and Gas segment which is itself viewed as a great threat to the environment and ecosystems.

Brand Building

Their website mentions a number of programs in different fields like Drishti, Livelihood Support programs. Others include infrastructure like Dhirubhai Ambani hospital and initiatives like Mumbai Indians Education for all initiative and also environment protection.

PepsiCo:

Partnership With Farmers



Partnership With Farmers



Image Source: www.csrworld.net

1. **Water Conservation** through various initiatives of recharging, replenishing & reusing water
2. **PepsiCo Solid Waste Management Programme** by partnering with leading environmental NGO, Exnora, a pioneer in waste management.
3. **Partnership With Farmers:** Despite all these efforts the Pepsi brand in India is not viewed as one which is socially responsible. Despite these there are instances where PepsiCo has suffered because of being depicted as a MNC which is exploiting the resources in India especially water. Over the years, its communications have been consistent to theme of youthfulness, therefore emerged as one of the strongest brands for the 18-25 segments which can be a reason that the CSR aspect is never really connected with Pepsi.

Nike:

The CSR implementation reason can be traced back to 1992 edition of Harpers Magazine story: Sadisah, a young Indonesian worker, earned 14 cents an hour making Nike running shoes. After working six days a week, 10 hours a day for a month, they earned enough money to buy a single Nike shoe at its US retail price. Nike had become 'synonymous with slave wages, forced overtime and arbitrary abuse. A huge CSR department was set up. Nike also began to work with many of its most vehement critics. Today it is still trying to improve their image using the initiatives mentioned above.



Image Source: www.nikeresponsibility.com

Marketing

CSR helps in the process of brand building but it must be complemented by organization policies and culture

Customer behavior is affected by the perception he has in his mind of the brand. CSR activities help improve the image of the brand. There should be correlation between the CSR activities, positioning of the brand and the target market

Company should always try to come-up with technological innovations that cater to needs of society and are environment friendly

Conclusion:

We would like to end the paper by saying that people assume wrongly that company exists simply to make money. Group of people get together and exist as an institution that we call a company so that they are able to accomplish something collectively that they could not accomplish separately

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Real Motive of CSR

Corporate social responsibility – What's the real motive?

By: Akshat Jain, PGDM Business Design (2011-2013), WeSchool Mumbai

‘Corporate’ ‘Social’ ‘Responsibility’, i.e. CSR covers the responsibilities which companies have for the societies within which they are founded and operated. Ideally CSR is about businesses and other organizations going beyond the legal obligations to manage the impact they have on the environment and society. In particular, this could include how organizations interact with their employees, suppliers, customers and the communities in which they operate, as well as the extent they attempt to protect the environment¹.

Let us look in to the history of CSR which is almost as long as that of companies. Concerns about the excesses of the East India Company were commonly expressed in the seventeenth century. In UK, Quakers such as Barclays and Cadbury, as well as socialists, such as Engels and Morris, experimented with socially responsible and values-based forms of business². In the eighteenth century the great economist and philosopher Adam Smith's model suggested that the needs and desires of society could best be met by the unrestricted interaction of individuals and organizations in the marketplace. Nineteenth century was marked with the Industrial Revolution which contributed to a global radical change. Millions of people obtained jobs. Founders of the companies became some of the richest and most powerful men in the world. There was a blind race where in everyone wanted to win. Around the beginning of the twentieth century big companies were criticized as being too powerful and for practicing antisocial and anticompetitive practices. Laws and regulations, such as the Sherman Antitrust Act³, were enacted. Between 1900 and 1960 the business world gradually began to accept additional responsibilities other than making a profit and obeying the law.

In the 1970s the civil rights movement, consumerism, and environmentalism affected society's expectations of business. Based on the general idea that those with great power have great responsibility, many called for the business world to be more proactive in dealing and solving the societal problems. Many legal mandates were placed on business related to equal employment opportunity, product safety, worker safety, and the environment. Furthermore, society began to expect business to voluntarily participate in solving societal problems whether they had caused the problems or not. This was based on the view that corporations should go beyond their economic and legal responsibilities and accept responsibilities related to the betterment of society⁴. With tremendous degradation of the environment in the recent decades, increasing eco-friendly awareness and preference among the people and growing international activities on social issues have made CSR imperative for a company. But now, do companies have some problem in doing this? No not at all. According to a study⁵, 88% of consumers said they were more likely to buy from a company that supports and engages in activities to improve society.

Marketing

Also CSR adds 'value' to a company and its brand. There might be few corporations who are doing CSR, considering it as a real societal responsiveness else, every other company wants to add this 'value' which also serves the purpose of achieving the social responsibility. A growing number of corporates like Tata Group, the Aditya Birla Group, Indian Oil Corporation etc. feel that CSR is not just another form of indirect expense but is important for protecting the goodwill and reputation, defending attacks and increasing business competitiveness⁶. Let us discuss two huge CSR campaigns done by Indian telecom companies recently. 'Use mobile, Save Paper' campaign by IDEA and 'Save Tiger' campaign by AIRCEL. IDEA with nearly ten crores subscribers in India and having global presence in more than 18 countries has taken this great step to educate people to how to use their mobile phones and save paper. On the other hand AIRCEL's campaign was aimed at creating mass awareness about the diminishing tiger population and engaging the youth to spread the message, especially in the digital space. After all, what does a telecom company has to do with trees and tigers? Indeed campaigns have been successful in saving a lot of trees and tigers and also simultaneously earning 'brand value' for both the companies.



Image Source: www.idea.com

Established global companies like Orlitzky, Schmidt, and Rynes found a correlation between social/environmental performance and financial performance. However, businesses may not be looking at short-run financial returns when developing their CSR strategy⁷. In essence it can be said that CSR is playing a crucial role in forming the marketing strategies of a company. By following ethics integrated in this form of marketing, firms not only ensure that there is profit in the business, they also take care of the fact that there is a well-being and growth of the society, on a whole. Isn't this killing two birds with a single stone?

It is apparent that in present times for most of the companies CSR is becoming an innovative and creative indirect marketing approach. Traditional commercial marketing is getting replaced with *societal marketing*⁸. But, why are we worried? Surely these companies are providing platform to the individuals who really want to do something for the society. Even if companies are doing CSR under tremendous global pressure or to earn some free PR, brand promotion, media coverage and improved stakeholder's relations, certainly on the other side by their active partnership with NGOs & Government our society is getting benefitted.

The benefit is RECIPROCAL.

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Accenture

Accenture CSR

By: Ambar Gupta, PGDM(2012-2014), SIBM Pune

How Accenture delivers high performance in their Corporate Social Responsibility initiatives.

I had the fortune to work for two years with Accenture which is a global management consulting, technology services and outsourcing company, committed to delivering innovation to business and governments. With approximately 2, 46,000 people in 54 countries, it generated net revenues of US\$25.55 billion for the fiscal year end 31 August 2011.

Since inception, Accenture has been governed by its core values. They shape the culture and define the character of the company, guiding how its people behave and make decisions: Client Value Creation, One Global Network, Respect for the Individual, Best People, Integrity and Stewardship.

Accenture's approach to corporate citizenship, as it prefers to call corporate social responsibility, reflects its business vision, its code of business ethics and its six core values. The company also seeks to understand the impact of its actions on all its clients, employees and the broader community, and through this better understanding its aims to build mutually beneficial relationships. In essence, corporate citizenship should lever the core capabilities and knowledge of Accenture's people to have a positive impact.

We as employees of Accenture felt that were making a measurable impact across the pillars of our corporate citizenship strategy: Skills to Succeed, Environment, Our People and Supply Chain.

Skills to Succeed

160,000+ \$44.5M

Number of people equipped with skills through Skills to Succeed initiatives during fiscal 2010 and fiscal 2011—already two-thirds of our goal

Total Accenture and Accenture Foundations contributions during fiscal 2011—nearly one-half of our US\$100 million commitment

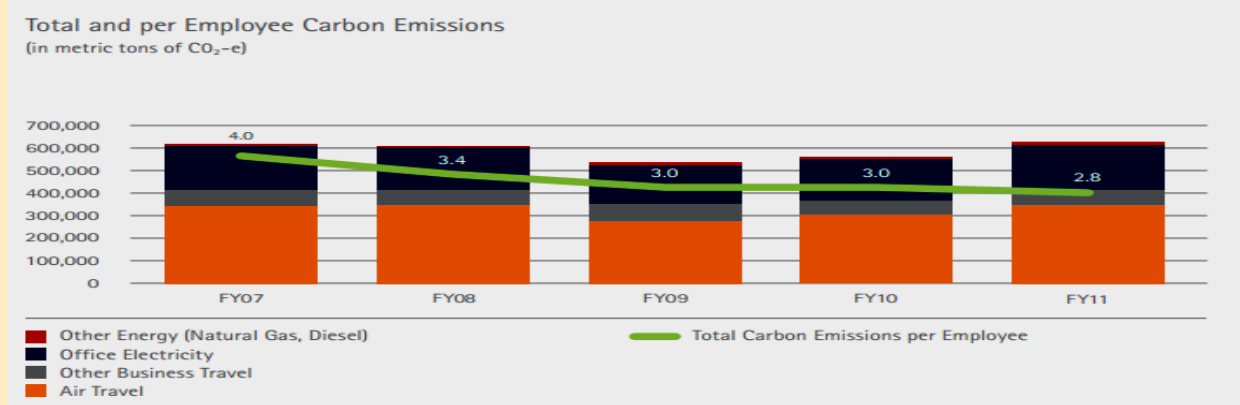
Image Source: www.accenture.com/corporatecitizenship

Finance

In 2009, Accenture developed and launched a new corporate citizenship initiative, *Skills to Succeed*, which focuses on building skills that enable people around the world to participate in and contribute to the economy. *Skills to Succeed* has inspired people and gives them an opportunity to create sustained impact in communities. By 2015, *Skills to Succeed* initiatives will equip **250,000 people around the world** with skills to get a job or build a business. By the end of fiscal 2011, it had already equipped more than 160,000 people—nearly two-thirds of our goal of 250,000 people—with workplace and entrepreneurial skills.

It also announced that Accenture and the Accenture Foundations will contribute more than **US\$100 million by the end of 2013**—in global and local giving, as well as pro bono contributions of time and Accenture employee skills—to support its corporate citizenship efforts.

Environment



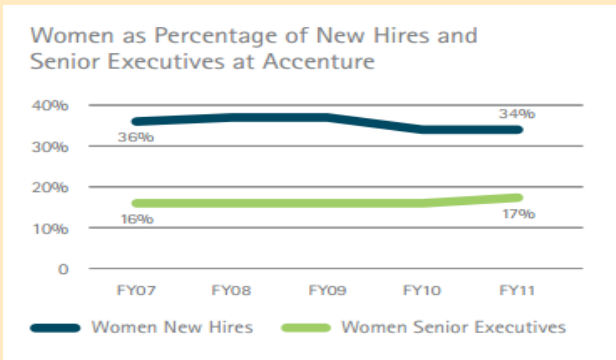
Source: www.accenture.com/corporatecitizenship

Fostering environmentally sustainable growth for the company and its stakeholders is at the heart of Accenture's environmental strategy, which comprises four areas: **running efficient operations, working sustainably, enabling client sustainability and providing insights to advance sustainability**. For example, Accenture is committed to understanding and addressing environmental impacts—including carbon, waste and water—resulting from its operations. Environmental stewardship is ingrained in its Code of Business Ethics and its core values, specifically **Stewardship**.

It is developing a framework for business action that will define responsible corporate practices and include an engagement mechanism and supporting analytics. Looking ahead, its challenge is to maintain progress as business grows. Working closely with its global network of employees, clients and suppliers, Accenture is on a relentless journey toward more sustainable operations and a smaller environmental footprint. It will refresh its environmental strategy and will continue investigating additional sources of renewable energy.

Accenture

People



\$800M+

In fiscal 2011, we invested more than US\$800 million in employee training and professional development

Image Source: www.accenture.com/corporatecitizenship

At the core of its business are the skills, abilities and knowledge of its people—**the human capital**. Accenture is authentically diverse: its workforce spans countries, cultures, languages, generations, perspectives, backgrounds and educational experiences.

Its wide variety of employee resource groups connects individuals who wish to strengthen their support networks. These interest groups include those focused on sexual orientation, persons with disabilities and women. In recent years, they have expanded support for their lesbian, gay, bisexual and transgender (LGBT) employees.

As local regulations permit, they have introduced policies to ensure the equal treatment of employees regardless of sexual orientation or gender identity. Their global constant is outreach to women, and support for more than 80,000 women takes many forms. **Today, women account for three of the 10 non-management directors on their board, 17 percent of senior executives and 25 percent of our Global Management Committee**

In fiscal 2011, Accenture invested more than US\$800 million, or an average of 52 hours per person, in employee training and professional development. They recognize employees' contributions through programs such as the Accenture Inventor Award Program and the Accenture Technology Labs Innovation Contest and in 2011; Accenture mobilized an employee giving campaign that directed more than US\$700,000 in donations toward the Japanese Red Cross Society Earthquake and Tsunami Disaster Relief fund.

Supply Chain

Accenture strives to improve the sustainability of its own operations. It also seeks to use its knowledge, experience and technologies to encourage its suppliers' sustainability efforts. It asks all new suppliers in its Procurement process questions about their environmental performance. In fiscal 2010 and 2011, 99 percent and 98 percent, respectively, of the RFPs issued by Accenture Procurement included environmental questionnaires.

Finance

Supply Chain	FY09	FY10	FY11
Total Procurement Spend with Diverse Suppliers (US only)	16%	21%	23%
Total Diverse Procurement Spend (US only; US\$ thousands)	\$ 266,488	\$ 308,535	\$ 408,728
By Type (US only; US\$ thousands)			
Minority-Owned Business	\$ 81,907	\$ 114,824	\$ 193,085
Women-Owned Business	\$ 65,851	\$ 81,663	\$ 123,597
Small Business	\$ 92,461	\$ 81,223	\$ 62,004
Other Type Business ⁹	\$ 26,268	\$ 30,823	\$ 30,043
RFPs Issued by Procurement Including Environmental Questionnaire	98%	99%	98%
Agreements Issued by Procurement including Accenture's Supplier Standards of Conduct	-	-	88%

Source: www.accenture.com/corporatecitizenship

In 2011, Dell, a key provider of our personal computers and laptops, began shipping our purchases via ocean freight rather than air whenever possible. Accenture has co-founded The WE-Connect International and received its 2011 Corporate Advocacy Award—the highest accolade possible for corporate commitment to supplier inclusion and diversity in markets outside the United States.

Their goal for fiscal 2012 is to include environmental questionnaires in at least 95 percent of our Procurement RFPs, and over the next two years to review the environmental, social and ethical business practices of global suppliers representing at least 70 percent of its procurement spending with critical global suppliers in key categories such as information technology and telecommunications. It will also continue to invest in supplier inclusion and diversity programs and increase our reach, thereby strengthening supply chain, extending market penetration and supporting commitment to more-inclusive and sustainable business models.

Being a good corporate citizen is essential to doing business today. People look at Accenture not only for the service they provide, the products they deliver and the results they achieve, but also for who they are as people and their character.

Going forward, I think that one of the measures of a high-performance business will be its commitment to corporate citizenship and its measured progress toward goals and outcomes.

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Patient Capital

Patient Capital – Can A Ruthless Field like Finance Aid in Solving the World's Problems

By: Samarth Sanghavi, PGDM(2011-2013), WeSchool Mumbai

Current State of Investments: Venture Funds, Private Equity – You Name It

Finance is a field known for making ruthless investments, cutthroat competition and aggressive bets to create faster returns, safer investments and mostly filling up the coffers of gigantic organizations. Just like its mother discipline (economics), finance also fundamentally believes in the basic principles of demand and supply where the interaction of these two forces determines the right price of the product. However, as time has passed we have grown to be far more accustomed to this system and have expected these forces to interact quicker give us the right value and soon we moved on to the next. And the ones who have managed to master this act have been revered and often considered as the masters of business (consider Apple's launch of a new version of products every time there is a dip in sales, creating something new before the competition catches up with the old).

Business models have been structured around the same philosophy, maximizing benefits before competition moves in, patenting every small invention, creating barriers to entry and spreading the customer and supplier base wide and large to disallow any significant control for anyone. This makes a company an attractive investment for commercial funds (name them anything venture capital, private equity, mutual funds, microfinance etc). Additionally, with investments demanding returns as soon as possible that too above the market rates of interest – the search for high return companies has intensified; resulting in several funds underperforming the expectations of investors, with large blockbuster flops frequenting around.

It would be important to understand some of the characteristics of a venture capital fund here:

As we can see venture funds are cornered, they have to return funds to investors at a higher level to remain competitive and relevant. This results in organizations working hard to keep earning more money than before and not being aware of the social situation around them. The urgency is towards earning more, creating faster returns often results in cutting costs, dumping industrial waste, firing employees and finally damaging the environment.



Finance

Based on the above it would also be amply evident that funds seeking investments would be looking for investments only in the commercial space, however there are significant social concerns today which bother us, some even to the extent of making life unsustainable. What about low-income households which do not have access to basic necessities like water, power, homes, healthcare and sanitation? (Surely not great profitable investments with short return periods, eh?)

Enter Patient Capital

I believe, businesses models are far more capable than grants, aids, subsidies or any other form of funding which may flow from developed countries to the underdeveloped nations (quite frankly, we have destroyed the meaning of aid anyways. <http://matadornetwork.com/change/7-worst-international-aid-ideas>). They provide not a onetime solution to problems but a recurring benefit to those who are in chronic need of the same. What about starting a business in poor countries providing services which are not typically high return investments. This is where patient capital comes in; patient capital is understood as a debt or equity investment in an early stage enterprise providing low-income consumers with healthcare, water, sanitation, power and housing services. Typically the investment can be within any range, but in practice are provided in combination with traditional debt and equity investments, Patient capital generally has a

payback period of 7-10 years. It would be critical to understand some of its characteristics:

- Long time horizon for the investments
- Higher risk tolerance
- Goal of maximizing social impact rather than financial returns
- Management support
- Co-investing with governments, NGO's, aid organizations to widen reach

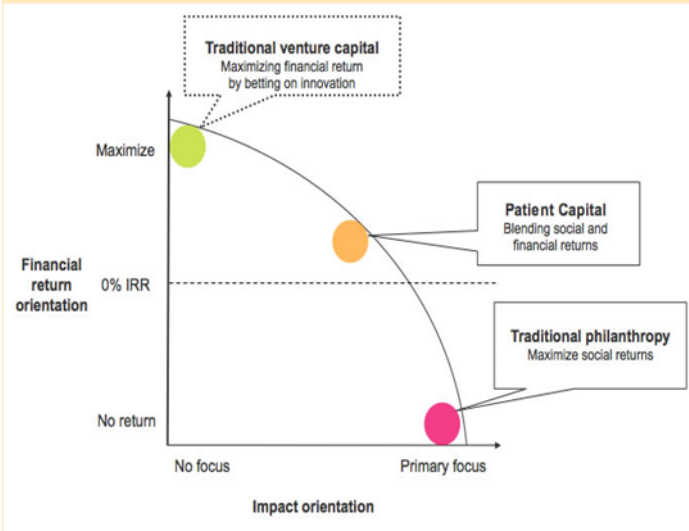


Image Source: http://en.wikipedia.org/wiki/Patient_capital

The source of this capital may be philanthropy or investment capital, the investment in patient capital is not a grant or an investment guided to return the principal, it does not seek to maximize financial returns but aims to maximize the social impact created by products.

Patient Capital

Arguments

Arguments For	Arguments Against
<ul style="list-style-type: none"> Helps overcome entry barriers – Hard to digest? Entry barriers for low income households may even be setting up a tank in its own backyard (If you have seen Well Done Abba you would understand what I'm talking about here) forget setting up a pipeline 	<ul style="list-style-type: none"> Patient Capital will induce investments in unsustainable businesses – It is unlikely that unsustainable businesses will be funded as they will be funded with parallel commitments by risk capital and they will only invest if the proposition is profitable and sustainable
<ul style="list-style-type: none"> Aids in stimulating the entire value chain – Academic? Yes! Business economics teaches us that post commercial investment the average cost curve moves downward that results from growth and learning from doing 	<ul style="list-style-type: none"> Businesses will always seek patient capital as it is cheap – This is a valid concern and thus it becomes almost mandatory to co-invest with risk capital investors, governments or NGO's to ensure capital preservation. Several more safeguards can also be put in place
<ul style="list-style-type: none"> Induces further private investment – Allows raising senior debt which could not have been possible without the subordinated, long term patient capital. It also enables the use of leverage which provides a higher return on investment 	<ul style="list-style-type: none"> May induce overuse of subsidised input – This may again be a valid concern as hoarding or other anti-economic activities could occur. Checks and other barriers must be there once the organization gains a particular size, even withdrawal of the capital could be a plausible action
<ul style="list-style-type: none"> Provides a fool-proof manner to deploy capital so as to ensure the ultimate beneficiary is the community to which it was granted in the first place 	<ul style="list-style-type: none"> Lastly, a direct grant could be a (arguably) better solution – This may not be the case, grants may not be able to provide the reach as patient capital + leverage (risk capital) may be able to provide. Secondly, grants are more susceptible to be invested in unsustainable ventures (as history bears witness)

Reference: http://www.agdevco.com/images/the_case_for_patient_capital.pdf

Finance

Active Patient Funds

These funds have caught the fancy of several investors seeking not to just give their money away but creating lasting solutions for low-income households. Some of the well known players are listed below:

Company Name	Funds Under Management	Total Value of Funds (\$ Million)	Investee Portfolio (Sectors)
AAvishkar	4	~125	Agriculture, Dairy, Healthcare, Water, Sanitation, Technology, Education, Handicrafts, Energy & Microfinance
Acumen Fund	NA	73	Health, Housing, Energy, Water, Agriculture, Education
Agora Venture Fund	1	2.5	MSME
E+Co	NA	NA	Clean Energy
Grassroots Business Fund	NA	NA	Agribusiness, Artisanal, Base of the Pyramid Services, Innovations in Finance
Good Capital	1	NA	Education, MSME

Reference: Individual company sites

The list above is not exhaustive, however, the amount of funds available for investing dry up significantly as more financially demanding projects come to the fore. Financial support may not be the only hurdle which may face entrepreneurs but it would be the lack of trust, low infrastructure and fear of capital returns. They say the world revolves around money and surely it will be money which may bring us out of the difficult situations which we have put ourselves in – all it needs is a little bit of trust and the willingness to make a change. Is it CSR? Yes, it may fall not directly fall under the management of risky assets as we know them, but if only more people were involved in trying to solve the world's problems, the world would have been a much better place.

I would like to end here with a quote from Jacqueline Novogratz, a pioneer in the cause for patient capital, from her book *The Blue Sweater: Bridging the Gap between the Rich & the Poor in an Interconnected World*:

“I’ve learned that many of the answers to poverty lie in the space between the market and charity, and that what is needed most of all is moral leadership willing to build solutions from the perspectives of poor people themselves, rather than imposing grand theories and plans upon them.”

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Bottom of Pyramid

Potential at the bottom of the pyramid

By: Anurag Thakurta & Anand Tajpuriya, PGDM(2011-2013), NMIMS Mumbai

Mohammad Yunus ushered in a model of Joint Liability Groups (JLG) and Self Help Groups (SHG) which enabled the poor to access credit. When India adopted the model 20 years back it was viewed as a game changer. Over the years the model evolved to suit the requirements of the industry. In Andhra Pradesh SKS Microfinance got listed with much fanfare and it was seen as the triumph of the poor. Then things started going wrong. Microfinance institutions (MFI) were alleged of making profit at the expense of the poor and the latter's voice got suppressed.

C.K.Prahalad had famously propounded that "their lies untapped potential at the bottom of the pyramid". We experienced this potential first hand in a recent impact assessment study conducted in the Nagpur and Mumbai regions. It gave us the opportunity to understand the varied perspectives of the urban poor, bankers, regulators, MFI's project officers and NGOs. It was an eye opener as we saw both, the benefits and the ill effects of MFIs.

Existing potential at the bottom of pyramid and the role of MFIs in harnessing this potential

Traditionally the Indian society has been known for its entrepreneurial spirit which also percolates to the bottom of the pyramid. An interview of Mr. Ragde (a rangoli shop owner), in which he explained the tenets of management as "Good behavior with the customers, time management and untiring efforts are the three pillars on which the success of any enterprise rests", is a testimonial to this fact. Thus it seems they only require an initial capital and a basic handholding to hone their entrepreneurial capabilities. This is where the MFIs have played a decisive role by providing fast and micro loans and some basic training for its effective usage. The impact assessment study conducted for Community Development Society Nagpur, an NGO which provides micro loans for livelihood generation validated this fact. For the study, the four levels identified were the individual, enterprise, household and the community and the impact of the activities of the loan granting agency were studied and significant improvements were observed.



"Good behavior with the customers, time management and untiring efforts are the three pillars on which the success of any enterprise rests"

Finance

A shift in the attitudes of the people was observed for which one of the indicators is the change in outlook towards education, especially towards the girls. At the household level the impact has been in the form of increased disposable income. At the enterprise level, it can be observed that close to 61% of the respondents have provided jobs to others, as they increased the scale and scope of their business activities. Hence, with access to credit from MFIs not only have jobs been strengthened but new jobs have also been created.

During the course of the interviews a significant percentage of clients said that their participation in various activities has increased over the years as a result of an improved financial status. Mrs. Uikey who runs a self-help group of around 400 women says that “With the increase in effectiveness of the SHGs, there has been a marked increase in the participation of the members in community activities like Ganesh Utsav, Kojagiri and various similar festivals.”



“There has been a marked increase in the participation of the SHG members in the community activities”

But on the flipside the MFIs have faced other challenges at the execution level and at times the sustainability of the institutions has come under a cloud. As loans are largely unsecured, their recovery is a major issue. Field officers have had to face threats, abuses and at times even physical assault to recover the loans. As the credit history of the clients can't be verified, clients take multiple loans without taking into consideration their repaying capacity. All this has snow-balled into higher defaults and has tainted the image of MFI's. Poor understanding of basic financial concepts and lack of access to 'filtered' financial information are the major reasons for the numerous problems faced by both the clients and MFI's. Financial Inclusion and Financial Literacy were envisaged to address these issues.

RBI on Financial Inclusion & Financial Literacy

Convocation address of Dr. D. Subbarao, Governor, Reserve Bank of India at Sambalpur University succinctly presents the role Financial Inclusion and Financial Literacy have to play in empowering the bottom of the pyramid:

Bottom of Pyramid

“In the Reserve Bank, we treat financial inclusion and financial literacy as twin pillars. Financial literacy stimulates the demand side – making people aware of what they can and should demand. Financial inclusion acts from the supply side – providing in the financial market what people demand. While we have traditionally focused more on addressing financial exclusion through many supply-side measures so as to help “connect people” with the banking system, we have come to recognize the demand side imperative also – that financial literacy and education should be developed hand in hand with improving access to financial services.”

Banker's view on Financial Inclusion and Financial Literacy

When we interacted with the banks on one of the mandates of Financial Inclusion regarding opening of no-frills accounts for the urban poor, the bankers were not so keen to do so. Some of the opinions voiced were

- ***“There is no such thing as urban poor. They just understand subsidy and that is all they want”.***
- ***“We have opened so many accounts, given them ATM cards but they don't transact regularly”.***
- ***A retired AGM of Bank of India remarked that “banks tend not to provide service to the poor as their ticket size is small and 100 no-frill accounts will not give them as much business as a single middle class earning professionals will give. The valued customer feels lost in the maze of the small ticket customers (urban poor) and banks don't want that to happen”.***
- ***“We have opened many accounts with the help of an NGO and these accounts have maintained a healthy balance. People also bring with themselves their relatives to get their accounts opened”.***
- ***“They don't have the required documents to open the account.”***

Finance

NGO's role in Financial Inclusion Financial Literacy

Many MFI's have started undertaking customer education sessions before handing over loans. In the current model they undertake sessions sensitizing the potential clients about the different aspects of the loans like interest rate, term period, EMI etc. But this is a very narrow approach reaching an even narrower audience.

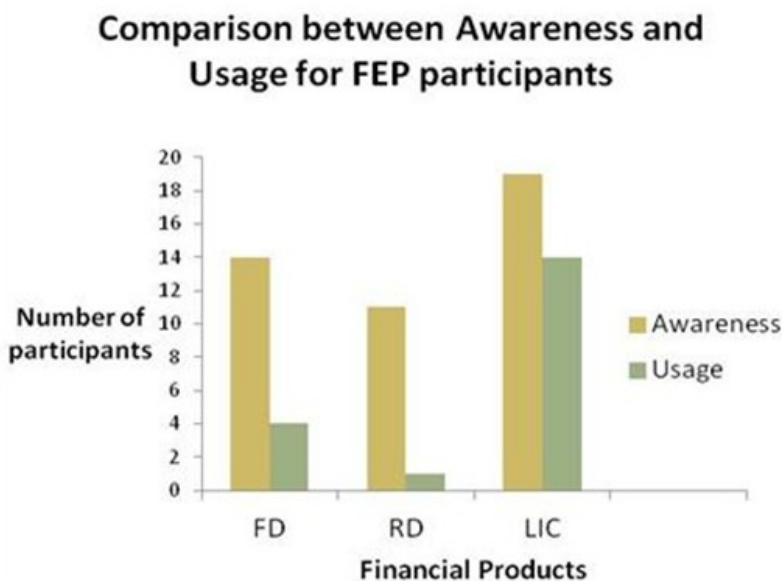
Some NGO's like Swadhaar FinAccess, based in Mumbai, are trying to bridge this gap by offering Financial Education Programs (FEP) in various slums across Mumbai and Surat. Ms Preeti Telang, the CEO of SFA remarked that, "Financial literacy can help the urban poor manage their meager resources better." SFA conducts 1.5 hours session 5-days a week in the slums educating women about various financial concepts. SFA has imparted financial training to more than 20,000 participants, opened around 5000 no-frills savings account and has distributed more

than 3000 micro-insurance policies in the last 3 years. An impact study conducted by SFA revealed that, "there has been an increase in the knowledge quotient of the participants of the financial education program but behavioral change has yet not been achieved."

For inclusion to take place in the true sense of the word, their behavior needs to undergo a change, to make sure that they use their limited finances in a prudent manner. To deal with this SFA is planning to open up Financial Information and Counseling centers, in line with the FLCC (Financial Literacy and Credit Counseling Center) mandate of RBI for banks, in the slums. The broad objective of the FLCCs is to provide free financial literacy/education and credit counseling. The centers in metro/urban areas were given the liberty to focus on individuals with over-dues on credit cards, personal loans, housing loans, etc. But the urban poor are not aware of these centers and to add to it they feel alienated because of the location of such centers.

Thus the RBI can come up with a mandate to open similar FLCC centers run by NBFC-MFIs at locations which are easily accessible to the urban poor. Food for thought for the RBI!

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Go Google Green

Green Google

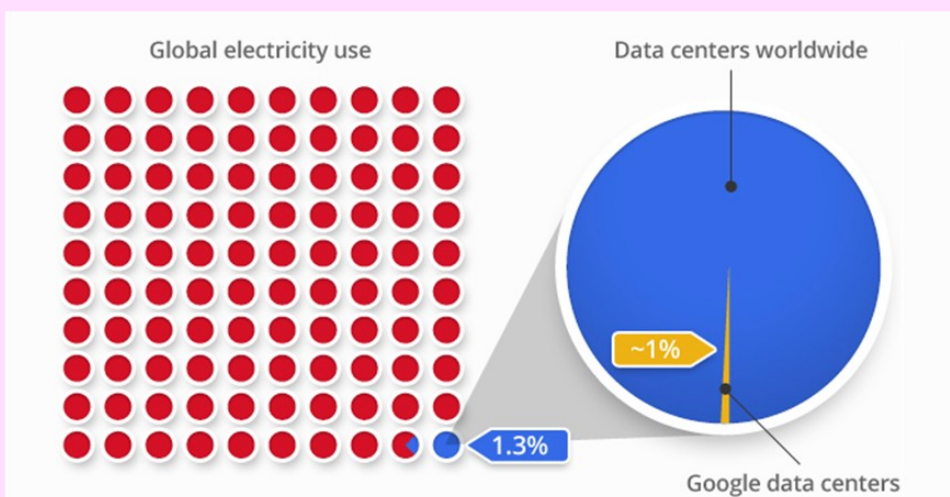
By: Divya Jotwani , Abhinav Sridhar & Rushabh Shah , PGDM (2012-2014),
WeSchool Mumbai

When we think what our next generation will inherit from us, we think of Tablets, Phones, Internet, Social networking etc on one side, and high CO₂ emission, less Ozone, less trees, warmer planets etc on the other. We would have gone too ahead of time which our parents could never have imagined but we are taking the beautiful nature away from them which we enjoyed and exploited both at the same times. But as more and more awareness is being brought among us, companies are following the new buzz word of '**Corporate Social Responsibility**' (CSR). Most of the times CSR activities are superimposed on today's companies but Google seems to be quiet an exception. The "DO NO EVIL" company feels that CSR stands for Common sense responsibility where it believes each one of us can take small steps to give back to society. Google Green is a big initiative which employs various techniques to reduce the carbon footprint and try making this world as carbon neutral as possible. This is done in 3 ways :

1. How Google Itself is Green :

Google keeps their information in the datacenters. These datacenters are the power monsters which thrive on high electricity as they consume upto 2% of global electricity usage. Google employs various techniques to monitor power (Power Usage Effectiveness), keeping separate airflows for cold and hot airs for data centers,

optimizing power distribution by keeping high voltage close to data centers etc. Hence the consumption of this search giant is only .01 % of electricity consumption. Even the architecture of their office is unique where people use slides instead of elevators, most power is derived from solar panels installed in their office and efficient use of natural sun light.



Google also has an initiative where employees use bikes and shuttle daily to come to their office. These shuttles are provided with laptops so employees can work while they commute and

Operations



Google shuttle carrying employees and their bikes

Image Source: <http://www.google.com/green/efficiency/oncampus/>

each employee is updated through Google Maps on location of various shuttle so that he can reach to closest one. These 70 vehicles have saved more than 54,000 tons of CO₂. Also Google make sure that employees eat organic food instead of processed food in their canteens and buying this food locally, thus giving local vendors livelihood.

But what happens in Google stays outside Google too...

2. How Google helps others turn Green:

Google has done a lot of investments in various green initiative throughout the world. Their gambit of contribution includes an investment of 94 million dollars in setting up of Photovoltaic cell in California, creating a SolarCity by paying a whopping 280 million dollars and buying 37.5% stake in Atlantic Wind Connection to power 7000 MW of electricity for homes of New Jersey.



This 250 miles project is targeted to use 60,000 MW of wind energy in future.

Image Source:

<http://www.google.com/green/energy/investments/>

Another innovative idea was to support community fisheries where google buys local sea food from them on Fridays for their employee meal. They also do a noble task of helping farmers burn the accumulated methane which has more green house effect than CO₂ by setting up plants to burn methane before disposal and using rest of it as compost.

Now Google showed the world that it takes one to make a difference but it also encourages us to contribute to it.

Go Google Green

3. How we can use Google to turn Globe Green:

The easiest way is to be on cloud. Not literally though but cloud here means saving your stuff online rather on desktop, as it means portable usage and less machineries and maintenance. If you are a big firm you can use Google Enterprise Services to get your data on cloud or if you are a home user you can use Google drive and mail to store all what is important to you on cloud. A study shows that power per user drops from 30 W to 0.25 W if we make use of this sandbox effectively.

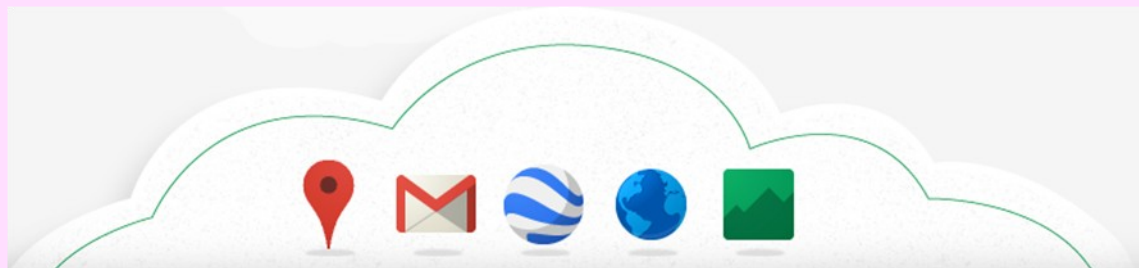


Image Source: <http://www.google.com/green/products/>

The other way is to use Google maps to find the best routes, closest bus stops or sometimes walking short distance doesn't matter either. Google Earth has also been an asset in analyzing natural calamities and providing quick relief to people. Google Earth shows data of how earth is changing dynamically so compile reports from this tool and make sure that these images create some impact. With Google search improving every day and we making use of most of its features like autosearch and "I'm feeling Lucky", 100 searches on Google contribute in reducing the carbon footprint to half of the value it would have been otherwise.

Thus Google teaches us if we start giving back to society we can create a world where technology will coexist with nature and our children would be able to enjoy the music on their Ipods the same way they will enjoy the rainbow across the waterfall.

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Operations

CSR- An Operations Perspective

By: Manaswi N. Deshmukh , PGDM (2012-2014), WeSchool Mumbai

Moral science lessons were often feel-good texts for us back in school days. For some they made a difference, while for the others, they simply morphed into remnants of stories that were related to pesky children when they refused to sleep. Individual perspectives apart, they entered

the world of business under the phrase “Corporate Social Responsibility”. Here again, there were (and still are) differences in perspectives, and major ones at that.

The popular notion that surrounds CSR is that it is ‘philanthropy’, while the truth is that it is ‘not just philanthropy’. Looking back at the same feel-good lessons we grew up on a healthy dose of, trying to establish a connection between money and social work was not correct, to put it politely. To speak of social work in business terms is hence paradoxical, but the

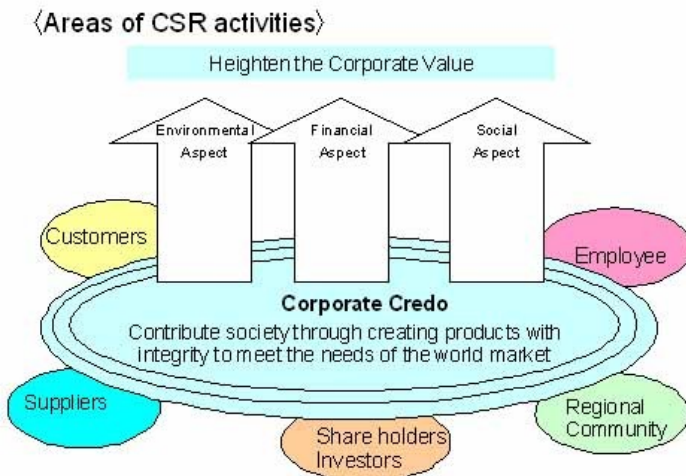


Fig. 1.1. Image source: <http://www.nidec-copal.com/csr/04.html>

conflict loses its complexity as we unfold it layer by layer to delve into its deeper meaning. CSR refers to maximization of a company’s benefits to society, while minimizing risks to it. (The various functions are outlined in Fig 1.1) However, in the process of achieving this, the company does not sacrifice the primary objective it thrives on-making money. It tries to strike a balance between giving and taking- giving back to the society while taking (think resources) from it. An example here would be Hewlett-Packard’s recycling program, in which the consumers discard materials in an environmentally-sound manner. (Refer Fig 1.2) Hence, it is only justified to have a sound CSR policy in place in the organization.



Fig.1.2.: The HP recycling process

Image source: <http://www.letsgodigital.org>

Now comes the real question: How to formulate one? Here steps in the indispensable asset of the company- the Operations Manager. This is largely because he/she is the person responsible for efficiency and effectiveness. To throw light on this in terms of CSR, an action going wrong in a company is the result of faulty planning, which relates directly to operations management. The Operations Manager is the person who streamlines resources and facilitates their correct use to contribute to efficiency. Taking the example of a thermal power-plant here, if the Manager cannot utilize the available raw material, i.e., coal to its possible capacity, the loss here is to the environment in the long run, with dwindling coal deposits and material wastage being the causes. Also, he/she has to ensure effectiveness, in terms of timely completion of work. This is where the give-and-take balance comes into play, and this is how the Manager can make or break the social impact his/her organization has on the society. We shall see how CSR can be incorporated in basic operations management functions:

Making decisions in the production function: From the equation that specifies the maximum quantity of output the firm can produce with the given inputs, the role of the Manager here is to optimize the inputs so as to obtain the best possible value of output. The afore-mentioned example of a thermal power-plant is an illustration of this.

Organizing and structuring of operations: J. W. M. Bertrand and J. Wijngaard of the Eindhoven University of Technology, The Netherlands, in their 1985 paper, 'The Structuring of Production Control Systems', say, "lack of flexibility in production units may lead to high and unbalanced stocks, poor delivery performance and possibly loss of market position". Incorporation of a flexible manufacturing structure will hence cut down on unbalanced stocks. This means reduction of wastage, which is an advantage with regard to the environment.

Human resource management: What makes an organization is its set of people, and managing them in the correct fashion is the Manager's responsibility. The company is responsible towards the welfare of its people and this also forms a part of its responsibility towards the society.

Asset management: This refers to the management of the company's assets in the form of buildings, equipment and stock. Often when equipment ages, it pollutes the surroundings by emanating noise and/or smoke depending on its application. The Manager should take care of such happenings by maintaining it.

Operations

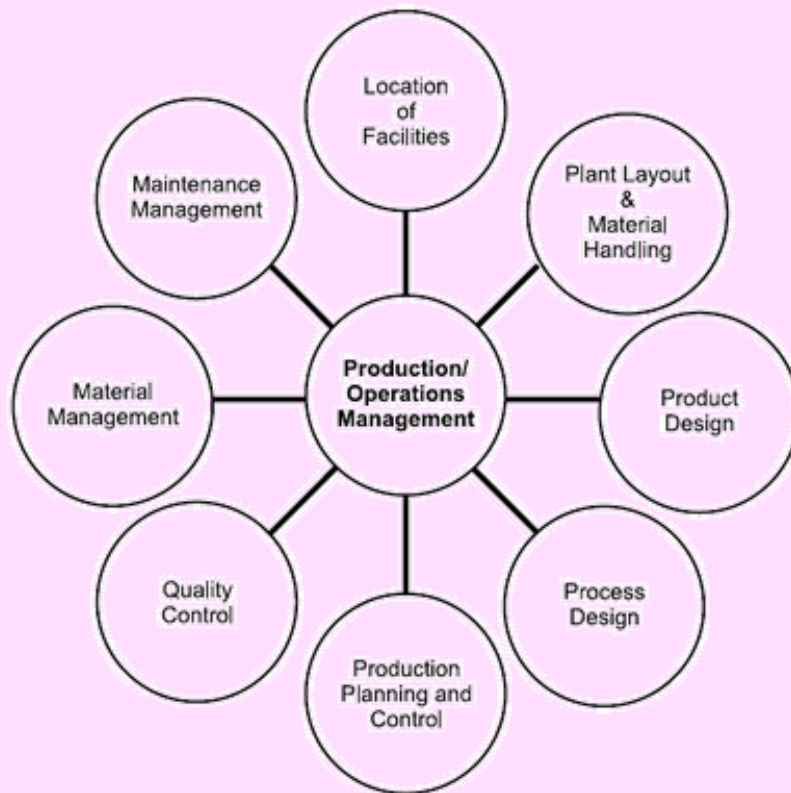


Fig 1.3: Functions of Operations Management

Image Source: <http://www.mbanetbook.co.in/2010/05/scope-of-production-and-operations.html>

Hence, CSR is deeply rooted in every activity of the organization. It does not necessarily have to be limited to just doing good to the society by means of social work. Healthy work practices in the company largely contribute to it. CSR is thus a means to promoting efficiency at work, and surprisingly the newest efficiency- enhancer.

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Supply Chain Management

Corporate Social Responsibility and Supply Chain Management

By: Shapnaa Sridharan, MMS(2011-2013), WeSchool Mumbai

As Wikipedia states it “Corporate social responsibility is a form of corporate self regulation integrated into a business model. “ In simpler words Corporate Social Responsibility or CSR is how the organization manages its organization and produces a positive impact on society.

We often hear organizations and individuals saying that ‘they would like to give back to the society.’ This giving back to the society is a part of CSR. The trade unions that are formed to take care of employees, the environmental laws that are followed and the compliance to the law, all these constitute CSR. Under CSR a key word is ‘Responsibility’. One wonders how many firms ensure that their workers have basic rights – a decent wage, no child labour, work-life balance.

Responsible Supply Chain Management is a part of the company’s CSR strategy. By establishing a responsible supply chain management buyers and suppliers ensure that a base for the standard is set and these standards have a direct effect on the society. For example, if a buyer sets rules that no supplier must have child laborers, this affects a larger part of the society. But many a time these children who are denied work are turned out into the streets and are abandoned. To make the impact less harsh, companies are known to have made the children work in the morning but ensuring that they go to schools in the afternoon.

At every stage in the life-cycle of the product the organization is accountable to the society and the environment.

A Responsible supply chain management helps the organization build a positive brand image.

In India, the Tata’s have been pioneers in CSR. As Mr. J.R.D Tata put it “The Tata philosophy of management has always been and is today more than ever, that corporate enterprises must be managed not merely in their interests of their owners, but equally in those of their employees, of the consumers of their products, of the local community and finally of the and finally country as a whole.”

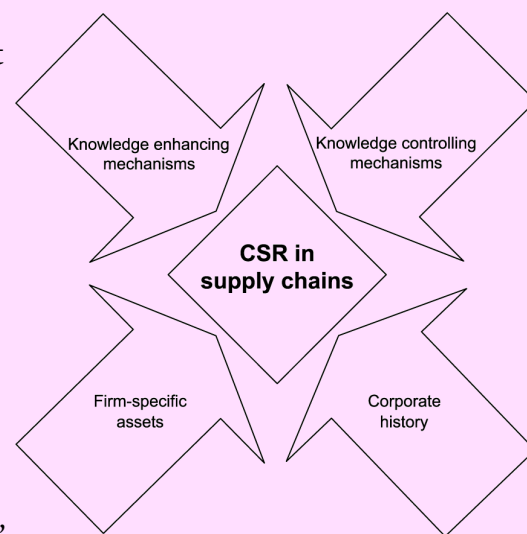


Image Source : <http://www.emeraldinsight.com>



Image Source : <http://www.konicaminolta.com>

Operations

The Tata group has a council, TCCI: Tata Council for Community Initiatives. As the company puts it, they have teamed up with Various NGOs aimed at providing Employability Skill Training to the under privileged youths/ school drop outs. As part of its mission to help the common people benefit on the fundamental right of “Education for All”, the company has supported various schools; adopted a school at Hyderabad /Projects Sites/ RICs and are providing its students with the necessary accessories required for them to fulfill their dream of becoming a part of educated India.

Under supply chain management it is not only the human resources aspect but also the processes and the components that must be taken into account. Nike, for example has promised to eliminate all hazardous chemicals throughout their entire supply chain process. Several other clothing companies such as H&M have also agreed to re-vamp their supply chain so as to minimize the burden on the environment.

Wal-Mart, an organization where every aspiring supply chain manager would love to work, have a concept called as Sustainable Value Networks which helps them integrate all sustainable practices into all parts of their business.

Wal-Mart hopes to double its truck efficiencies in the U.S by 2015. They have chalked out their plan as a three phase project: Experiment, pilot and deploy.

Wal-Mart also hopes to eliminate PVC from its packaging. Wal-Mart has chalked out another plan in the hope of reducing and recycling the packaging material.

Wal-Mart unveiled a packaging scorecard in 2008. It will help to evaluate the sustainability of its suppliers' packaging. The company's buyers will then use the scorecard to make more informed purchasing decisions. It is used to drive their suppliers to reduce, reuse and recycle the packaging of the products sold in Wal-Mart stores.

The suppliers are also inspired by the initiative as it helps them to save money too. General Mills is a leading example of the changes: straightening its Hamburger Helper noodles meant the product could lie flatter in the box. This, in turn, allowed General Mills to reduce the size of those boxes. The move saved nearly 900,000 pounds of paper fiber every year, reduced the company's greenhouse gas emissions by 11 percent, took 500 trucks off the road and increased the number of Hamburger Helper boxes on Wal-Mart shelves by 20 percent.

Every aspect of the supply chain can be influenced by CSR. It may be in the form of green supply chain or responsible supply chain or green initiatives. But the end objective of it is for the companies to integrate social and environmental concerns in their business operations and meet the ethical, legal, commercial and public expectations that society has of business.



Image Source : www.walmartstores.com/

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Dimensions of CSR

The Operational Dimensions of CSR

By: Karishma Rodrigues, PGDM(2011-2013), WeSchool Mumbai

The term CSR (Corporate Social Responsibility) has been interpreted in different ways globally. The European Commission defines corporate social responsibility as companies acting voluntarily and beyond the law to achieve social and environmental objectives during the course of their daily business activities (European Commission). Whereas the United Nations defined sustainable development in 1987 being development which meets the needs of the present without compromising the ability of future generations to meet their own needs (Niskala and Pretes, 1995, 463). Traditionally Responsive CSR was practiced which concentrated on being a good citizen and eliminating all the harmful elements from the value chain. What we need to move towards is Strategic CSR which takes into account the dimensions of the triple bottom line which are environmental, social and economic responsibility. Operations management plays a vital role in the successful implementation of strategic CSR.

The Environmental Dimension

It is a known that business negatively affects the environment. This dimension of CSR addresses environmental sustainability. ISO-14001 established in 1996 provides a set of process standards for environmental sustainability. The purpose is to meet the needs of the current generations without cause degradation of the environment leading to ruining the resources for the next generation. Some operational decisions can help organizations to use resources in a way so as to minimize deterioration of the environment. For example the plant layout can be designed in such a way that minimum energy is utilized. Also there can be focus on recycling on scrap especially of non degradable materials such as material used in packaging and using alternate sources of energy. A classic example of an organization that leverages its operations to protect the environment is eBay. It has integrated with the US Postal Services to reduce the environmental damages due to shipping. Also, Starbucks attempt at the Go green strategy to adjust the global temperature has been a hot topic for many years now.



Image Source: <http://optimistworld.com>

The Social Dimension

Every business has an impact on its society. One needs to address issues that crop up which directly affect consumers or the society at large. But one should aim at creating a value proposition with a social dimension to it. Be it a product or a service one can easily attach a social

Operations

cause which will tackle a social problem and also increase profitability. For example MTV attaches itself to various AIDS campaigns thus giving entertainment a social dimension. Also



Image Source: <http://mtv.in.com>

when Nestle entered India they set up local milk purchasing organizations and invested in improving the quality of milk. They thus

improved the standard of living for the villagers and also their profitability by procuring cheap fresh milk.

The Economic Dimension

CSR cannot be adopted without any economical consequences. Payback period for investment in CSR activities can be very long and uncertain. Also the benefits are reaped by everyone at large not only the stakeholders'. Hence the economic dimension becomes really crucial in adopting CSR. Anything that could damage trust of its consumers and stakeholders should be avoided. Hence it is necessary to choose your suppliers, vendors etc with a lot of care. Any breach of trust in the value chain will hurt the companies' credibility. The economic well being of the company is what will ensure that every stakeholder in the company reaps benefits.

Conclusion

One must bear in mind that moving towards an environmentally stable organization with minimum carbon footprint and at the same time taking care of all the social issues comes at the cost. Adopting CSR purely as a means of giving back to the society will bring the company a great deal of goodwill and will also help the in its brand repositioning. But this may not go down well with the stakeholders. Hence these concepts have to be internalized and have to be made a part of the vision mission and goals of the organization. Also cost reduction and profit maximization can be achieved only by making CSR a strategic part of a business process by engaging operations management in the elimination of not only hazardous but unwanted parts of the value chain. The key is changing the perception of CSR as a cost centre to a profit centre by having CSR managing work in parallel with Operations Man

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Responsibility

How responsible is the claim of being responsible (Corporate Social Responsibility)?

Shubham Tomar, PRM 32, IRM Anand

We all know that by law, all the corporate honchos have a mandate of CSR. Nearly 2% of the entire budget of a company engaged in large scale production is allotted to CSR activities. Google will be of great help if one wants to know more about this obligation. CSR initially was designed to align the needs of the community whose resources the corporate uses to prosper. Gradually, the craze started picking up and now one can find that almost all the top corporates have explored the option of doing CSR. Importantly, CSR now is not just a means of development for the community but also a Public Relations strategy which the companies use fittingly. No wonder, many corporates now run advertisements on prime channels and that too on prime time to mould their cannibalistic image to that of a protector's.



Image source: <http://jsdaw.com>

Interestingly, after working for a corporate for its CSR activities, I have started to question the very same image of these hotshots which guarantees development. Ask any guy working in the CSR wing- 'Are you working for the development of the community?' Quickly the response is shot- 'YES!' To provide proofs, he throws an annual report which is loaded with projects having an attractive Hindi name and an even better photograph of villagers getting involved in those projects. Moreover, the balance of the CSR also shows the amount of money (corporate's own blood) invested for the community. The statement which is proudly presented goes like- 'Delivering happiness to those who matter!' The question which is needed to be explored is if the development is real or it is just a creation of shrewd authority to influence gullible consumers on the straight character of the company.

After all, the metropolitan crowd is sensitive towards the community who toils day in and out in the farms to earn living.

When I first went in the villages to talk to the Community for which the corporate stated that it was responsible, the comment which it passed was- 'You guys are playing with our future! Please leave us all alone.' No wonder I was even threatened by the 'Community' to leave the village as soon as possible. Why did I face such a stark reaction from the community, when the company states that it has changed the way of living of it? Well the answer lies in the modus operandi of corporate. In development world, the focus is always on making the community empowered through sustainability. The real catch here is that CSR makes the same community dependent on its activities. As CSR activities have specific bounds in which they will function, the corporate wants to prosper the community by running various programs. Empowered community would lead to lack of CSR activities in the near future which will in turn eliminate a strong PR domain.

Perspective

The management which is responsible for carrying out different activities gets appreciation from the board only when they make annual reports thicker. To do so, it tries to invest in a plethora of activities

rather than focussing on activity which will make an impact on the region. The activities which it run are also flawed. The activities do not even cater to the real demand of the community. For example, if the community needs 200 toilets, only 20 will be constructed to make it a valid event for the annual reports. Other than that, who cares! The event which could have been invested in the construction of 180 additional toilets will be used for some other activities. The logic is clear. More the activities, better the annual report. Better the report, more perks for the management.

Sustainability which is propagated in mission and vision statements or these organisations is not even present in the activities which they run in the region. After, making a community sustainable does not make any sense to the corporate. If the fish runs out what are we going to catch for supper? The same logic applies to this situation. If the community is strengthened, why would it need CSR activities? Despite years of working, in many regions, the community is as dissatisfied as the community without CSR activities would have been. It is therefore a valid question to ask- 'Is it really development?' Creating physical infrastructure and that too inadequate is atleast not development. It is what I will call ACTING LIKE GOVERNMENT. It would not be a bold statement to make that by doing so, corporates can definitely fetch in some more consumers in the metropolitan markets by selling its 'responsible' image but the fact remains that they are befooling the consumers as well as the people who should really matter to them. After all, CSR stands for Corporate Social Responsibility and it should work as an extension of development in a socially responsible manner. In the end, I would just want to yell it aloud-'those people who have given their lands for the profits you make are also a part of Social element of Society'. Anybody listening????



Image source:: <http://www.philanthromedia.org>

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Inspirational Living: Spinal Injury Awareness Day

In our last issue we mentioned about Nina foundation and the spinal awareness day. This issue we bring to you the excerpts from the event.

“Events like the Spinal Injury Awareness Day create awareness, we get inspired by the spirit of differently enabled people and our sense of societal responsibility becomes stronger” said Dr Uday Salunkhe, Group Director –WeSchool while welcoming the guests. A special guest of honor on the day was Maj Gen K R Salgotra, VSM, Commandant Military Hospital CTC, a renowned orthopedic surgeon himself, spared his entire day to be at the event.

Diana Hayden, Miss World 1997 came to cheer and inspire the group of differently enabled people gathered at WeSchool to celebrate the 4th Spinal Injury Awareness Day.

The medical camp held on the day saw some of the best specialists in the country like Dr Sharad Sagde, Consultant Urologist, Dr S SY Bhojraj, Consultant spinal surgeon, Dr VC Jacob, Physiotherapist, Dr Uday Khopkar and a range of doctors attending to socio-economically challenged members with Spinal Injury.

Also the students of physiotherapy of MGM hospital must be mentioned for all their efforts to make the members feel at ease. The striking moment of the day was when Amol Boriwale, National champion in archery walked with the help of artificial legs for the first time after being wheelchair bound for nearly four years. This was a joyous moment not only for him but everyone present in the room.



Mr. Boriwale has represented the country countless times in sports for the disabled and has won 30 golds, 2 silvers and a bronze; national and international awards for archery, javelin and discus throw. He was awarded with the ‘WillStar Award’ at WeSchool.

Another noteworthy moment was when Mr Nitin Goel, head –Regional treasury –Asia Pacific and India Nokia Samsung Network, wheeled in to receive the ‘Rockstar award’ at the hands of Diana Hayden.

He is a counselor, motivator, active participant of the consumer committee of people with spinal cord injury and supports a number of NGOs that are working for the cause amongst other achievements. In an inspiring speech Mr. Goel said that “Disability is a state of mind. Never lose heart as someone is always waiting for you with a supporting hand.”

Call For Articles

We invite articles for the August, 2012 edition of Samvad.

The Theme for the next month: August 2012 - **Sports Management**

The articles can be from Finance, Marketing, Human Resources & Operations domains.

Submission Guidelines:

- Word limit: 1000 words or a maximum of 4 pages with relevant images.
- Cover page should include your name, institute name, course details & contact no.
- The references for the images used in the article should be mentioned clearly and explicitly below the images
- Send in your article in .doc or .docx format, Font size: 12, Font: Constantia, Line spacing: 1.05' to **samvad.we@gmail.com**.
- Please name your file as: <YourName>_<title>_<MBAvertical e.g. Marketing/Finance/BMS>
- Subject line: <YourName>_<InstituteName>_<Year>
- Ensure that there is no plagiarism and all references are clearly mentioned.
- Like our Fb pg: [Samvad: WeSchool Students Magazine](#)

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All the World's a Stage

All the world's a stage,
And all the men and women merely players;
They have their exits and their entrances,
And one man in his time plays many parts,
His acts being seven ages. At first, the infant,
Mewling and puking in the nurse's arms.
Then the whining schoolboy, with his satchel
And shining morning face, creeping like snail
Unwillingly to school. And then the lover,
Sighing like furnace, with a woeful ballad
Made to his mistress' eyebrow. Then a soldier,
Full of strange oaths and bearded like the pard,
Jealous in honor, sudden and quick in quarrel,
Seeking the bubble reputation
Even in the cannon's mouth. And then the justice,
In fair round belly with good capon lined,
With eyes severe and beard of formal cut,
Full of wise saws and modern instances;
And so he plays his part. The sixth age shifts
Into the lean and slippered pantaloon,
With spectacles on nose and pouch on side;
His youthful hose, well saved, a world too wide
For his shrunk shank, and his big manly voice,
Turning again toward childish treble, pipes
And whistles in his sound. Last scene of all,
That ends this strange eventful history,
Is second childishness and mere oblivion,
Sans teeth, sans eyes, sans taste, sans everything.

William Shakespeare