

CORPORATE SOCIAL RESPONSIBILITY TOWARDS EDUCATION IN INDIA

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Abstract:

In this epoch of globalisation, education plays a crucial role in building the Nation. It is imperative for any nation to understand that without education it is impossible to progress. India has been lagged behind from other nations that it has now become difficult for us to abreast with them. Govt of India has undertaken numerous initiatives to grapple with this situation. Crores of rupees have been dissipated to ameliorate the education system.

It is not feasible for firms to operate/continue without considering the interest of society. This paper attempts to throw light on the social responsibility of corporate in education field and their contribution so far. There are challenges like any other project but the corporate houses must take this project on priority. This paper lists some suggestions that can be implemented to make this educational journey smoother. Secondary sources like journals, articles, authentic books, newspapers and companies websites have been accessed for the study.

KEY WORDS:

Corporate, Social Responsibility, Education.

OBJECTIVES OF THE STUDY

1. To focus on the need for companies to contribute towards education in India.
2. To stress upon the various initiatives undertaken by companies towards education in India.
3. To highlight the major issues /problems faced by companies in initiating and implementing CSR process.

INTRODUCTION

"Corporate executives have an obligation as global citizens to play a role on the world stage, but they should understand that this role requires them to balance two, extremely delicate, sets of responsibilities: they must address the urgent issues of our times, without overstepping the boundaries of democratic legitimacy, and they must contribute to the public welfare, without neglecting their primary role as generators of private wealth. We are both leaders and statesmen. Although there are those who would like us to be neither."

- (James D. Wolfensohn, former President, World Bank, Washington DC.)

CORPORATE SOCIAL RESPONSIBILITY (CSR) is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered stakeholders.

According to companies Act 2013, clause 135, Companies with an annual turnover of Rs.1000 crore or more; or net worth of Rs.500 crore or more; or net profit of Rs.5 crore or more shall take on CSR. A CSR committee of the board should be constituted which should consist atleast three directors, out of whom atleast one should be an independent director. The Act encourages companies to spend at least 2% of their average net profit in the previous three years on CSR activities. Various activities can be included by

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companies in their CSR Policies like Eradicating extreme hunger and poverty; Promotion of education; Promoting gender equality and empowering women; reducing child mortality and improving maternal health; combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases; ensuring environmental sustainability; and employment enhancing vocational skill etc.

"Education is the single most important instrument for social and economic transformation. A well educated population, adequately equipped with knowledge and skill is not only essential to support economic growth, but is also a precondition for growth to be inclusive since it is the educated and skilled person who can stand to benefit most from the employment opportunities which growth will provide.

- (Ministry Of Human Resource Department, INDIA)

NEED OF CORPORATE SOCIAL RESPONSIBILITY TOWARDS EDUCATION IN INDIA

Apart from the vast developments in India there is a darkest phase where children are being forced to work instead of going schools and receive education. Even with the enactment of RIGHT TO EDUCATION ACT 2009, which enforces free and compulsory education for children between 6-14 years, plenty of children are being deprived of education. Every year numerous children get enrolled in government schools but only few of them complete the elementary education successfully. The reason is quality of education in government and government aided schools is deteriorated. They lack basic amenities, adequate infrastructure, adequate professional teachers, effective teaching aids and efficient school management etc. The drop out rate among the girls is greater than the boys. The main reason for drop out is the stagnation i.e children repeating same class again. The other contributing reasons to this are Poverty, Unemployment, and discrimination on basis of caste, gender, race and other Social barriers. In case of higher education, the no. of aspirants are greater than the availability of the seats in universities. However plenty of private universities have been opened but the fees of such universities and colleges are very high that lower income group student cannot afford.

The government have limited resources to tackle these problems, therefore intervention of corporate sector in education is needed. Organisations goodwill, its public image is also enhanced by its social responsibility program. According to a survey, people tend to buy a product more if it is associated with any CSR program. For example, ITC is known for donating a profit margin from any stationary items purchased by customer to the welfare of schools supported by it. They very well advertised it, and in return what they got is a boost in sales figure. Along with, public image resulting in boosted sales, this publicity also helps them in branding. This branding has various direct and indirect advantages. Attracting skilled and talented professionals to work for the organization is one of the indirect advantages.

COMPANIES INITIATIVE TOWARDS EDUCATION IN INDIA

CSR is not a new concept in India. Corporate like Tata Group, Aditya Birla Group, and Indian Oil Corporation etc. have been fulfilling their responsibilities towards the Nation even before its compulsory enforcement by government. They have been donating and making charity for decades. However the contribution of various corporate towards education in India has been briefly discussed below:

TATA GROUP: TATA has significant contribution in educating India since its inception. The company has opened many educational institutes in India namely Indian institute of science (Bangalore), Tata institute of fundamental research (Mumbai), JRD Tata eco technology centre (Chennai) etc. TATA has opened many libraries in India (Namely Ratan Tata Library in Delhi University, JRD Tata library in Bangalore and Sir Dorabji Tata Memorial library in Mumbai etc. for the keen readers and researchers. The list of their contribution is much more and they have been playing vital role in development of our Nation.

ADITYA BIRLA GROUP: The Company has been always focussing on the issues like:

Formal and non-formal education, adult education; Scholarships for girls, merit scholarships and technical education for boys; Distance education; Girl child education; Digital literacy / computer education. The BIRLA group has opened many academic institutions and schools and have supported the education of rural children.

PROCTER AND GAMBLE: The company has been supporting project SHIKSHA launched in 2005) from last 8 years and has helped 2,80,000 unprivileged children to access their right to education. The program focuses on empowering girl child with quality education. It aims at providing clean drinking water, building separate toilets for girls and boys, advanced educational aids, computer centres. The

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company has focussed a lot towards girls education which is appreciable.

ITC: It runs Choupal Supplementary Education Programme especially for supporting primary education in rural areas. It has set up learning centres for providing extra classes to students for back up learning. For fostering the reading habit among students ITC has set up mobile libraries and has provided roaming laptops so that students can learn computers. ITC also provides furniture, books, stationery to students of government schools for supporting their education.

INDIAN OIL CORPORATION: For Indian Oil Corporation CSR has been the cornerstone of success right from its inception in year 1964. The foundation offers more than 2000 scholarships every year to students for pursuing graduation, post graduation and other professional courses, out of which few are specially reserved for SC/ST/OBC and few for girls. It has contributed in field of clean drinking water, education, hospitals and health care.

INFOSYS: In 2009, it set up Infosys Science Foundation for honouring outstanding achievements in field of science and engineering. The company also supports health care, culture and rural development cause in India.

MAHINDRA & MAHINDRA: It runs a programme "Nanhi Kali" under, KC Mahindra Education Trust which supports education of over 75,000 underprivileged girls. Apart from awarding grants and scholarships the company provide vocational training to youth from socially and economically disadvantaged communities which helps them in earning livelihood. The company also works for causes related to environment, health care, sports and culture.

COCA COLA: In January 2011, Coca-Cola India Private Limited launched the 'Support My School' (SMS) public service campaign in association with NDTV network, UN-Habitat, Charities Aid Foundation (CAF), Sulabh International, Pearson Foundation and TATA Teleservices. The main purpose of this campaign is to help underprivileged sections of society by providing sanitation and infrastructural facilities. So far the campaign has been able to raise Rs. 50 million which is being used for transformation of over 100 schools in India. Amenities like separate boys and girls' toilet, clean drinking water, playgrounds and sports facilities etc. has been provided in schools.

The list of such commendable contribution of corporate towards education in India is long but still their efforts have not been able to make India a fully educated Nation.

CHALLENGES IN CORPORATE EDUCATION RESPONSIBILITY

Many unseen impediments have thwarted the efforts of companies involved in CSR activities. A strong Volition is required to incept the CSR activities for betterment of the society. Litany of few opaque obstacles in exercising the CSR activities are enumerated below:-

LACK OF WILLINGNESS: The ethical conduct of corporate influences the perception of customers towards corporate image which affect the customers purchasing decision. Moreover the investors have also started considering the contribution that corporate make towards society. It has exerted intense pressure on companies to indulge themselves in social responsibility activities. There is also lack of willingness from the companies. Few treat it as a burden on them and do it just to follow the norms. With this intent, what they do is neither beneficial to the public nor the organisation and in the end, it's a failure of the whole idea of CSR. Some companies try to show more in media and in reality does less work. They show their visibility in programmes organised by various NGO's without really working for the cause.

LACK OF AWARENESS: There is lack of awareness or lack of interest among the public for any CSR activity in their vicinity. It is sometime treated just for showcase activity by the public which demotivates the CSR volunteers. Moreover People do not trust these companies easily as they perceive them as part of their own interest. Thus because of lack of support of people the companies programmes do not make a success as expected. Also no special initiative has been taken to spread the awareness regarding it among the people.

LACK OF GOVERNMENT SUPPORT: There is less support from both government and non government agencies in this work. Government put too many restrictions and legal formalities that companies resist in indulging such activities. When sometime, people are excited about any CSR activity;

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there is lack of help from Government agencies to support the cause. Even, sometime the officials tend to decline basic approvals because they treat it as overburden of work for them.

UNORGANISED NON GOVERNMENT ORGANISATIONS: Non government organisations are scattered and not united as a whole, there are many non government organisations that are opened for other purposes like tax evasion, for supporting political parties etc. Local NGO's know better about the local condition of the people and thus can serve better to society. But there is lack of availability of NGO's in remote areas and lack of interest on part of the local NGO's. Thus it becomes difficult for corporate to provide support to local needy people.

TRANSPARENCY ISSUES: There is lack of transparency on part of many medium and small companies as they do not disclose much information on the programs they run, support, audit issues and utilization of funds etc. Such non transparency leaves a negative impact on the local communities, as a result of which they do not develop trust in companies and hence do not support in their programs. Rarely, but issue of transparency from the stakeholders of the company is also a barrier for the organisation to invest more for CSR activities. This is more visible in tough financial times of an organisation or recession like time.

SUGGESTIONS:

In order to materialize CSR initiatives in the field of Education, improvements are required right from the grass root level. Various surveys on different aspects of CSR are being done and on the basis of those surveys, few suggestions are listed below to put CSR on firm ground.

- The first and the most important thing is Awareness among public regarding CSR activities in their area like distribution of stationary, study camps, awareness programs for kids etc. Local media is the best way to reach out to the masses of that particular region. This could be either local newspaper or TV channels. Media and companies can join hands to spread the voice.

- Partnership between different stakeholders like private sector, authorities from education department, media, NGOs will make things easy and smooth for the initiatives under CSR. After all, Unity is Strength.

- Currently, CSR is mandatory only for organizations which are large scale and comes in big profit bucket. Small scale industries or mid-scale industries (SMEs) should also be encouraged to start such initiatives. The reason being is they have broader geographical reach. Surveys have pointed out that the education programmes by companies does not reach to the villages or remote areas, they are restricted to urban areas or cities. Contrary, the need of such educational programmes is more in the villages. Thus, SMEs can prove a better source for such educational initiatives under CSR.

- When there is need of focus on education related events under CSR, there is need too to educate the educated world about it. Corporate professionals and those who are graduating to enter the corporate must understand about it. Adding this to curriculum of business schools is must now.

- For the sake of formality, few organisations start CSR activities without any research or planning. It has been evident that, there are clashes of activities in a region and hence, creates a bizarre situation instead of adding any value to the lives of those children. This can be controlled by creating a centralised governing body of CSR and PAN India CSR activities should be started after its consultation.

- Although CSR is the responsibility of corporate houses. But at times, the support of Government authorities can increase its value manifold. Government must help and encourage by promoting the education related activities by any corporate group.

CONCLUSION

Education is an indicator of a Nation's social and economic progress. It is appreciable that companies have discharged their duties very well in contributing towards economic growth. But the companies do have a social responsibility as well. Major industrial groups have understood this and started supporting various social causes like health programme, green conservation, educating children of poor etc. But there are many medium and small industries that are hiding themselves from these duties, only the major companies are involved in such CSR programmes. It is commendable that the major focus has been placed on health and hygiene but more keen efforts are required in education. Enrolment is not enough; we need retention and quality in education. The dropout rates in girls more than boys. Companies could be a major support for funding and investing in school education programmes in India. This will not only add values to the brand of the company but prepare a pool of talent by helping them in their education.

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