A study on inter-Linkage of employee competencies and organizational development through CSR Initiatives with special focus on IT Companies

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Abstract - Corporate social responsibility refers to Strategies Corporation or firms conduct their business in a way that is ethical and beneficial in terms of community development. It is based on employee's competency level in the organization that leads to leadership skills, organization development and better understanding of the practical aspects of CSR. This article discusses the role of CSR in community development because the very logic of CSR is towards seeing its impact in community socially, environment and economically.

This paper also aims to understand the linkage of employee competencies and CSR Initiatives. The focus of this paper is to explore CSR execution in IT companies and the inter linkage of CSR and organizational development activities. Infosys has been an early adopter of CSR initiatives. Through its CSR trust, the company implements social development projects. The focus is towards supporting projects in the area of education, eradication of hunger and malnutrition, art and culture, healthcare, destitute care and rehabilitation, environmental sustainability, disaster relief and rural development.

Keywords- Corporate social responsibility, community development, employee competencies, CSR Initiatives, organizational development and environmental sustainability.

I. INTRODUCTION

As the resultant of liberalization, privatization and globalization in India in 1991, many of the companies which were already established and the companies which were established later saw tremendous growth in terms of size as well as profits. Few of the companies looks beyond profits and started doing something good for the cause of the society. Now it is mandatory for those companies whose net profit is Rs. 5 crore or turnover is Rs. 1000 crore or net worth of Rs. 500 crore has to spend 2% of its profit according to Companies Act because of which all the companies are spending on CSR projects.

The concept of corporate social responsibility is based on the idea that not only public policy but companies too to take responsibility for social issues. In recent approaches, CSR is seen as a concept in which companies voluntarily integrate social and environmental concerns into their business operations and into the interaction with their stakeholders. The idea of being a socially responsible company means doing more than comply with the law when investing in human resources and the environment.This paper focuses on the fundamentals of CSR and specifically emphasizes about the CSR activities being carried out by few specific IT companies.
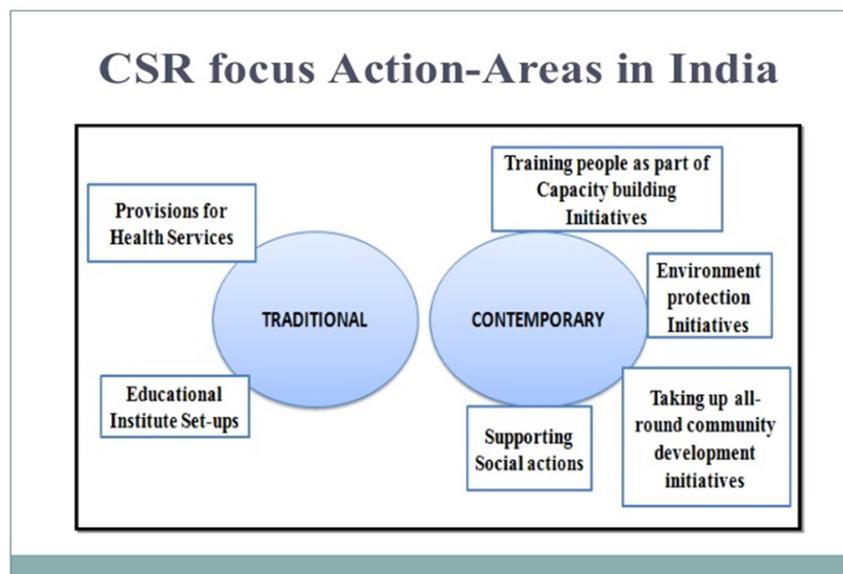
Source: The trend is blue - July 2012

From the above it is understood that the shift of CSR is from providing health services and educational set ups to training potential people for capacity building, environment protection initiatives, community development and supporting social actions. Presently contemporary issues are focussed as csr action areas.

II.   REVIEW OF LITERATURE

Dahlsrud (2009), "Companies increasingly recognize the importance of their major role in sustainable development (SD), and by engaging in corporate social responsibility (CSR) activities. Companies aim to obtain a satisfying balance in the environmental, social, and economic aspects of their business practices. CSR can be viewed as a business approach to sustainable development in which companies voluntarily integrate environmental, social, and economic challenges in their business strategies and in their interactions with stakeholders"

Werther& Chandler (2008), "The key attributes that define a company's essential character and the contemporary turn to values reflect an evolution in what has sometimes been called the personality of the corporation—or the corporation's identity. Corporate identity reflects what a company really is, what the company what to contribute to society rather than what a company might advocate. Corporate Social Responsibility and Sustainable Business Many companies have established a corporate identity using branding, which has become a focal point of their success and competitive advantage"

Following are the objectives of this study.
1. To Identify CSR related employee competencies in IT companies
2. To Study the linkage of employee competencies and CSR Initiatives
3. To Explore CSR execution in IT companies
4. To Study the inter linkage of CSR and organizational development activities

CSR related employee competencies in IT companies

1. Systems thinking

This is in connection with holistic thinker. Systems thinkers understand problem and its relationship to broader trends. For example, a sustainability leader grasps the system of relationships in which business is embedded: Supply chains; industries; cities; regions; and ecosystems. Systems thinkers often have multidisciplinary backgrounds combining technical and creative field's suitable to initiate csr activities. They also may have expertise in principles of systems management such as resilience and managing for emergence.

2. External collaboration

CSR initiators must be willing to work beyond the business entities. A significant portion of a business' environmental impact may be found up or downstream of its operations, meaningful collaboration with suppliers, customers and even competitors is necessary. Collaboration helps companies build social exchange, explore new markets and shape the contexts in which they operate. Most of the businesses are investing in partnerships with NGOs to tackle social issues, and industry collaborations such as the Sustainable Coalition are growing.

3. Social innovation

The magnitude of sustainability challenges demands a fundamental reengineering of business. CSR leaders with social innovation competence view this challenge as a growth opportunity. Social innovators find ways to redesign products and processes that create business and social value. They question the status quo and treat constraints as transformable. Within organizations, innovative leaders encourage social reforms among employees and prioritize interdisciplinary teams.

4. Sustainability literacy

Sustainability-literate leaders are aware of emerging environmental and social trends, and the risks and opportunities they create for business. Fundamentally, they understand the changing role of business in society, how peer organizations are responding and available methods to revise business models. These may include conducting environmental and social events, or using tools for scenario planning, back-casting, hot spot and materiality analyses.

5. Active values

An employee with active values is mindful of emotions and motivations and sensitive to those of others. Mindful employees can assess themselves and their work as part of a larger purpose, motivating

them to harness business to improve society. Emotional intelligence fosters resiliency, trust and reciprocity among co-workers and external stakeholders. Empathetic employees also may innovate products aligned with values that are relevant to society's genuine needs.

Linkage of employee competencies and CSR Initiatives

Integrating csr into learning and development
- Incorporate csr into the orientation and probationary review process
- Provide regular job specific and general csr training
- Incorporate a csr dimension into career path development and succession planning programs

Integrating csr into workforce planning
- Evaluate the need for csr skills sets
- Identify key csr competencies and gaps
- Incorporate csr into the employer brand and the employee value proposition
- Incorporate csr into recruitment programs
- Include csr questions in recruitment interviews, the offer letter and the early employee contact
- Incorporating csr as part of employee engagement

integrating csr into performance
- Integrate csr goals in job descriptions, annual performance plans and team goals
- Incorporate csr into the formal/informal reward system
- Support business units in developing performance evaluation systems that foster csr behaviour
- Integrate csr into the annual performance review
- Incorporate csr into exit interviews

CSR Initiatives and Execution in IT companies

Infosys spends Rs. 342 cr on Corporate Social Responsibility (CSR) during FY 2018-19

Infosys Ltd, a digital services and consulting conglomerate has been an early adopter of CSR initiatives. Through its CSR trust, primarily the company implements social development projects. The focus is towards supporting projects in the area of education, eradication of hunger and malnutrition, art and culture, healthcare, destitute care and rehabilitation, environmental sustainability, disaster relief and rural development. Infosys Ltd., has been spent Rs. 342 crore as against its prescribed CSR expenditure of Rs. 340 crore i.e., 2% of the net profit of Rs. 17,018 Cr. Towards various schemes of corporate social responsibility as prescribed under section 135 of the Act, company's annual report of the year 2018-19 revealed. The CSR amount of Rs. 109 crore has been spent in Bengaluru particularly.

Presently, the foundation's programmes extended to most of the states, with an emphasis on expanding reach to create deeper impact while ensuring focus on key area of development. The major works of the Foundation included the introduction of Aarohan Social Innovation Awards, restoration of water bodies in Karnataka, supporting the construction of a metro station in partnership with Bangalore Metro Rail Corporation Limited, enabling the pursuit of access and excellence in sports through the GoSports Foundation, and relief efforts in Tamil Nadu, Karnataka and Kerala.

In Infosys, CSR committee of the Board is responsible for overseeing the execution of the CSR policy. The committee comprises three independent directors and COO and Whole-time Director. The CSR committee adopted a policy that outline the organisation's objective of catalysing economic development that positively improves the quality of life for the society, and aims to be a responsible corporate citizen and create through its activities a positive impact on the environment, communities and stakeholders.

Wipro's Charter on Corporate Social Responsibility

Wipro Cares

Wipro Limited is a Global multinational IT consulting and System Integration Services Company headquartered in Bangalore, India. Wipro thinks that it is critical to engage with the social and ecological challenges that face humanity. It is their conviction that the engagement with social issues must be deep, meaningful and formed on the bedrock of long term commitment; for that is the only way by which real change can happen on the ground. This is also reflective of the fact that such an approach serves both, enlightened business interest and social good. Wipro run their social programs on a strong foundation of

ethical principles, good governance and sound management. This includes, among other things, holding themselves up to public scrutiny through a framework of transparent, rigorous reporting.

Wipro Cares is focused on certain key developmental issues faced by communities, such as, but not limited to, primary health care, education, environment, disability and providing rehabilitation to communities affected by natural calamities. It is a trust formed in the year 2003 that seeks to work with communities proximate to Wipro's centre of operations. Wipro Cares is currently engaged in 16 projects across India. Through seven of its health care projects in four states of India Wipro Cares is providing more than 75000 people in 53 villages access to primary health care.

More than 47000 children benefit from the five education projects in five Indian cities. Wipro project in social forestry has helped plant more than a lakh trees, and has at the same time provided livelihood to around 80 farmers. Their projects in disaster rehabilitation have helped rebuild the lives of people affected by Karnataka Floods, Bihar Floods, Japan Tsunami, Hurricane Sandy, Philippines Cyclone, Uttarakhand Floods, Odisha Floods and many more. Employee engagement is an integral part of Wipro Cares where they encourage employees to volunteer with partners, acting thus as catalysts in bringing about positive change.

TCS invests Rs. 434 Cr in Corporate Social Responsibility (CSR) programs

Corporate Social Responsibility (CSR) is being harnessed to create systemic solutions that address the root causes of societal challenges in India. Tata Consultancy Services (TCS), a global leader in technology and consultancy, has demonstrated its commitment to the socio-economic development of society. Company has invested Rs. 434 crore on various sustainable development programmes, against its prescribed CSR expenditure of Rs. 542 Crore, Company's annual report 2018-19 revealed. **TCS** enables an environment of greater consciousness through a process of collaboration with employees, suppliers, customers, and the community at large.

Including overseas spend, the Company's total spending on CSR is Rs. 527 crore. CSR programmes are focused on education and skill building, health and wellness, and environment. The CSR projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013."TCS' CSR initiatives reached more than 1.66 million beneficiaries globally, in FY 2019, once again creating a considerable societal impact in the countries in which we operate.", report said.TCS partnered with Tata Trusts, NGOs and various not-for- profit organizations to scale up social programs.

Inter linkage of CSR and organizational development activities

Sustainable economic development

CSR is basically the commitment of organization to contribute to sustainable economic development by working with employees, their families, stakeholders, local community and society at large to improve their lives in a way that are good for the business and for development.

Strengthening the valuesof the company

CSR is actually based on the values of the company and the organizational culture is significant determinant of employee behaviour, team work, honesty and sincerity of the employees and in general, the overall success of the business. The success of business is a mix blend of corporate culture and CSR. CSR is the commitment for social welfare of staff, stakeholders and the community.

Reinforcing the organization culture

Organizational culture is a system of shared meaning and belief held by organizational member that determines how they act. It is imperative for success of the organization and controls the way employees behave amounts themselves as well as to pull outside the organization, it has been confirmed that strong organizational culture characterizes higher CSR performers. There are several dimensions of organizational culture such as team orientation, people orientation, and attention to detail innovation and so on. When an organization culture is strong, it affects the thinking of the employees towards internal as well as external stakeholders and it helps in better response for achievement of CSR activities/goals. The correlation between organizational culture and CSR goes in the same direction.

III.   FINDINGS OF THE STUDY

1. It is found that contemporary csr focus action areas in India are; training for capacity building, environmental protection initiatives and community development activities.

2. Systems thinking, external collaboration, social innovation, sustainable literacy and active values are csr related employee competencies in IT companies.
3. Linkage of employee competencies to csr initiatives are integrating with learning and development, work force planning and performance.
4. The focus of Infosys in csr is towards supporting projects in the area of education, eradication of hunger and malnutrition, art and culture, healthcare, destitute care and rehabilitation, environmental sustainability, disaster relief and rural development.
5. Wipro's domains of engagement are based on social and sustainability initiatives;centre on Education, Ecology, and Community Care.
6. TCS enables an environment of greater consciousness through a process of collaboration with employees, suppliers, customers, and the community at large.
7. It is found that Inter linkage of CSR and organizational development activities are; Sustainable economic development, strengthening the values of the company, reinforcing the organization culture.

IV.   FURTHER RESEARCH

This paper has an outlook and throw a light on inter linkages among competencies, csr initiative and development. This can be further researched in contemporary issues leads to sustainable economic development.

V.   CONCLUSION

CSR is the commitment of business to contribute to sustainable economic development by working with employers, their families, the local community and society at large to improve their quality of life, in ways that are both good for business and good for community as well as societal development. The activities initiated by the Corporation under its CSR scheme are considered as discharging its responsibility towards the society. The CSR activities are seen as those which would in the long run help secure a sustainable environment. CSR, therefore is closely linked with the practice of sustainable development and extends beyond the philanthropic activities and reaches out to the integration of social and business goals.

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