

Social Corporate Responsibility for Better Future: Fulfillment of Utopian Dream

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Abstract:

The term corporate social responsibility became popular in the 1960s. Corporate social responsibility (CSR) has been an important issue in business management since decades. The study proposes a research model from a strategic management perspective. On the foundation of social identity theory and resource-based perspective in developing this argument, the paper theorizes CSR as a resource-generating activity by creating support networks, relationships and management of perceptions in the form of social and reputational capital.

This paper develops propositions for strategic use of CSR activities by creating social and reputational capita that ultimately leads to profitability and better society. Corporate social responsibility (CSR) has been pushed as an effective management tool to strengthen the organizations' performance through a better image in stakeholder's mind and also because of their responsible behavior toward society and environment.

Although CSR has been more widespread in those organizations that are more exposed to environment and are more prone toward creating pollution, the interest in using CSR as a strategy is increasing in every type of business. Since the 1980s, there has been a series of reforms taking shape in the business, resulting from the increased awareness on the importance of quality management and business role toward society as an area of practice is moving toward responsible competition, and the movement of CSR has

been through many transitions in its concept and application because of the environmental activism and government regulations, whereas the legal requirements by government are becoming stricter for compliance. It is in the recent times that CSR is coming into the mainstream of business applications and in academia. Although corporate altruism is yet in initial stages, some companies have now started to use their CSR related activities for their corporate branding as well. The present study focuses on an industry and society relationship from a CSR perspective. The researcher aims to find out how companies' social responsibility activities can procure benefits for the organization and to the society at the same time by creating smooth relationships between different groups of stakeholders of a company. Since last decade, global business industry is nurturing its pressure to pursue socially responsible activities from many stakeholders, employees, investors and consumers.

As the idea of CSR is coming to maturity, many investors have identified the benefits associated with being socially responsible, and its acceptance is increasing as companies are generating strategic capital for this. The CSR domain has been widely studied among various researchers, and much of the focus has been on the role of corporation in a society as wealth maximization or providing socially responsible and ethical output to the society.

Key words: CSR, Utopia, Literature, Social Responsibility, Better World

Progress has often been driven by utopian dreams of a better world. This better world is always one that allows people's lives to be in some respect and dignity. Of course everyone wants a better world. When it comes to Utopia, we are not talking about minor makeovers that improve health care, provide more aid to the poor or build a covered mall in the suburbs. I am talking about changing the fundamentals of society, shaking things up, casting aside competition and reason.

Christians have Heaven and Muslims have Jannah (Paradise). These are the promised places for the worthy of each religion where they will find eternal peace and freedom from

pain and want — something like utopia. The problem is one has to be dead to get there. Utopian ideas are focuses on here and now. They want to figure out how people might live together in peace, with freedom from pain and want, while they are still alive.

The idea of Utopia was raised before the New Testament and the Qur'an. In around 360 BC, Greek Philosopher, Plato wrote a book called *The Republic*. It is an imaginary dialogue between Socrates (Plato's teacher) they discussed what it means to have just society. Actual world Utopia was first used as the title of the book in 1516 by the English writer Sir Thomas More. More's Utopia is based on Plato's Republic.

In the 'Encyclopedia Britannica' **'Utopia'** is defined as **"an ideal commonwealth"** whose inhabitants exist under perfect conditions. A utopia is a community of society possessing highly desirable or perfect qualities. The term has been used to describe both intentional Communities that attempt to create an ideal society, and imagined societies portrayed in fiction. Ecological utopian society describes new ways in which society should relate to nature. They react to a Perceived widening gap between the modern Western way of living that, allegedly, destroys nature and a more traditional way of living before industrialization, that is regarded by the ecologists to be more in harmony with nature. According to the Dutch philosopher Marius de Geus, ecological utopias could be sources of inspiration for green political movements.

Utopia is a contested concept. This does not mean simply that people disagree about the content of utopia, about what the good society should be like. Rather, there is no consensus about the meaning of the term itself. Lay understandings are generally either dismissive or hostile, seeing utopianism as at best impractical dreaming. The term 'utopia' is, of course, drawn from Thomas More's 1516 text, in which the title is a pun on good place/ no place, transmuted into everyday thought as perfect and impossible. In this sense, our culture is saturated

with utopianism. Utopia is the expression of the desire for a better way of being or of living.

Virtually every culture has struggled to achieve a Utopian society. A Utopian society is basically a society, which has surpassed aggression, war, hate, and crime while establishing “peaceful” and orderly communities. A Utopian society could not exist with the individuality that nature has bestowed on the human race. So long as humans remain unique in their state of mind, utopia is a mere fantasy. To work around this problem a society must adapt itself to achieve a utopian-like state. All members of the society will respect one another, be courteous to one another and assist one another.

The land will be respected. The land is not to be over developed, misused or mistreated. Privacy is to be afforded to all and respected. Gossip and rumors will not be tolerated. Animals, natural vegetation and forestry are to be respected and used with care. There will be very strict rules governing the hunting of animals and their use.

Several utopian ideas arose, often in response to their belief that social disruption was created and caused by the development of commercialism and capitalism. Another view that capitalist utopias do not address is the issue of market failure, any more than socialist utopias address the issue of planning failure. Thus a blend of socialism and capitalism is seen by some as the type of economy in a utopia. For example, one such idea is to have small, community-owned enterprises working under a market-based model of economy. Polyculturalism is the model-based adaptation of possible interactions with different cultures and identities in accordance with the principles of participatory society. Intentional Communities were organized and built all over the world with the hope of making a more perfect way of living together.

In the second half of the 20th century, coming out of two world wars and with technology progressing at an unprecedented rate, it was widely believed that technological

advancement would continue improving living conditions in an almost utopian way. Great technological achievements, progress in medicine and a greater sense of social responsibility gave rise to the idea that, for the first time in history, war, disease and poverty were all soluble problems. But technology did not turn into that science-fiction dream of curing disease and ending world hunger. Instead it became a tool to observe and control people *en masse*, throughout history, technological advances have brought with them new security challenges, to which every society has had to adapt. In the past 30 years, breakthroughs in information and communication technology in particular have been so ground-breaking, happening so quickly, that a plethora of developments have come in train - very hard to predict, never mind anticipate or, still less, prepare for - to develop deadlier weapons and new forms of domination and violence, and to broaden the inequality gap between people and countries. Rather than saving humanity from misery, technology would allow violence to be performed on a greater and more efficient scale.

Today people are also concerned about economic security, peace and the survival of the planet. But the hope for better world focuses on social change. However, it is not possible without support of Business houses' corporate social responsibility. Corporate Social Responsibility (CSR), a concept that has been around for well over 50 years, has become prominent again recently. Peter Utting (2005) notes that an increasing number of transnational corporations (TNCs) and large domestic companies, supported by business and industry associations, are adopting a variety of so-called voluntary CSR initiatives that incorporate, for example, 'codes of conduct; measures to improve environmental management systems and occupational health and safety; company 'triple bottom line' reporting on financial, social, and environmental aspects; participation in certification and labeling schemes; dialogue with stakeholders and partnerships with NGOs and UN

agencies; and increased support for community development projects and Programmes’.

One of humankind’s greatest challenges this century will be to ensure sustainable, just and balanced development. The needs of current and future generations cannot be met unless there is respect for natural systems and international standards protecting core social and environmental values. In this context, it is increasingly recognized that the role of the business sector is critical. As a part of society, it is in business’ interest to contribute to addressing common problems. Strategically speaking, business can only flourish when the communities and ecosystems in which they operate are healthy. This broad strategic context helps explain the growing appetite among businesses worldwide for authoritative information, company examples and advice about corporate social responsibility (CSR). This guide has been developed by the International Institute for Sustainable Development (IISD) to help respond to that demand. Importantly, the guide should also be useful to the many firms that do not currently have formal CSR policies or programs in place. While not specifically developed for use by public agencies and civil society organizations, the principles of CSR may also be helpful to them in their own sustainability efforts.

“Social responsibility (is the) responsibility of an organization for the impacts of its decisions and activities on society and the environment through transparent and ethical behavior that is consistent with sustainable development and the welfare of society; takes into account the expectations of stakeholders; that is in compliance with applicable law and consistent with international norms of behavior; and is integrated throughout the organization.” (Working definition, ISO 26000 Working Group on Social Responsibility, Sydney, February 2007).

Corporate social responsibility (CSR) is also known by a number of other names. These include corporate responsibility,

corporate accountability, corporate ethics, corporate citizenship or stewardship, responsible entrepreneurship, and “triple bottom line,” to name just a few. As CSR issues become increasingly integrated into modern business practices, there is a trend towards referring to it as “responsible competitiveness” or “corporate sustainability.” “We believe in CSR because it is a proposition aligned with our values, but also because it makes business sense. Our commercial partners expect from us sound environmental and social practices. We get and understand the message and are actively promoting CSR among associates. We want to be recognized as a responsible industry, adding value to our products.”

A well-designed CSR implementation framework integrates economic, social and environmental decision making throughout a firm—from the board of directors to front-line officials and supply-chain partners and is therefore intimately connected with effective corporate governance. A properly governed firm can reap optimal benefits for itself and its shareholders, and in turn for those who are affected by the firm’s activities. At all levels of a firm, inadequate direction and control of its activities and assets can jeopardize its very ability to operate.

CSR is the firm’s practices and policies that contribute to the well-being of the environment, economy and society. They address the needs of customers, suppliers, shareholders and employees, as well as those of government, the general public and the communities where the firm operates, without compromising the ability of future generations to meet their own needs.

CSR is the way the company integrates economic, environmental and social objectives while, at the same time, addressing stakeholder expectations and sustaining or enhancing shareholder value. CSR is the overall relationship between the corporation and its stakeholders, which include customers, employees, communities, owners/investors,

government, suppliers and competitors. Elements of CSR include investment in community outreach, employee relations, creation and maintenance of employment, environmental stewardship and financial performance. CSR is the responsibility the firm has to its stakeholders. It means that the firm's products and services create value for customers and contribute to the wellbeing of society. It means the firm operates using ethical business practices and expects the same from its suppliers and partners. It means minimizing the environmental impact of its facilities and products. It means providing jobs, paying taxes and making a profit, as well as supporting philanthropy and community involvement. It means treating employees with respect and being a good neighbor to the people next door.

In line with a worldwide trend, the **corporate social responsibility** has been a growing concern for companies not only to improve their public image, but also, and especially, as a tool for social integration and community development. It is also important to note that, by and large, the Indian society has been realizing that the State is not able to meet the basic needs of the entire population - hence it has become essential for the community to share with the private initiative the responsibility for solving the country's problems; that brought the focus to the companies, which have greater economic and structural capacity. Currently most of the companies have been extending their social actions by including other policies and practices that may in fact generate more effective responses towards social inclusion and justice. Big companies have been focusing their social actions especially on the following areas: (i) relationship with local organizations; (ii) combat of corruption and bribery; (iii) eradication of children labor; (iv) environmental education; (v) valuation of diversity and equal opportunities in the workplace; (vi) participation in governmental social projects; (vii) social leadership and influence; and (viii) acknowledgment of potential damages that

may be caused by products and services, and management of companies' impacts on the local communities.

As per United Nations and the European Commission, Corporate Social Responsibility (CSR) entails triple bottom line: profits, protection of environment and fight for social justice.

The concept of CSR applies equally to individuals and corporations as it does to the State. It is a joint and shared responsibility of civil society, activist groups, Government and corporate sector to create appropriate means and avenues for the marginalized and bring them to the mainstream. The success of CSR lies in practicing it as a core part of a company's development strategy. It is important for the corporate sector to identify, promote and implement successful policies and practices that achieve triple bottom line results. There are over 700,000 registered companies in India out of which about 6545 are traded on the Indian Stock Exchange. They need to ask themselves how best they can bring about social justice, and protection of the environment in co-operation with other sectors of the economy. To create a win- win situation, it is essential for all of us to work together to alleviate abject poverty and improve miserable living conditions that exist in rural India.

Utopian models, on the other hand, are explicitly holistic, imaginary, critical, normative, and prescriptive future oriented. On the other hand, most of them contain descriptions of present conditions, not just as a foil for the better utopia, but as a generalized explanation of how social processes work, and therefore what needs to change. In this sense, they are present oriented so much so that some commentators would say that utopias are always primarily about the present, their function always primarily critical. But utopia involves the imaginary reconstitution of society in a slightly different sense: it is, precisely, the imagining of a reconstituted society, society imagined otherwise, rather than merely society imagined. The designation of utopia as a space for the education of desire underlines the point that the imagination of society otherwise

involves imagining ourselves otherwise. The point of the imaginary reconstitution of society, though, is that rather than positing individual lifestyle changes, it suggests a more holistic look at the collective alternatives open to us. Some parts of this are obvious: if you want people to use buses and trains instead of cars and planes, it has to be a viable option in terms of both time and cost. But all our systems of production, consumption and distribution and the structures of desires and wants that accompany them need to be looked at holistically.

Ideal society would be a society which valued education in all its aspects (psychological and spiritual, as well as technical and political). So, we would be raised and trained to see life as a huge learning ground where we progress through its challenges to become more cultivated and grounded. Work would not be geared towards the cultivation of wealth and money, but would allow us to explore our interests while also allowing us to contribute our talents for the greater good.

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