

Facets Of Corporate Social Responsibility In Today's Era - A Case Study Of Mahindra And Mahindra Ltd.

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INTRODUCTION

A business doesn't exist in isolation, simply as a way of making money. Customers, suppliers and the local community are all affected by a business. Products, and the way you make them, have an impact on the environment. Corporate Social Responsibility (CSR) takes all this into account and helps the business to create and maintain effective relationships with your stakeholders. It isn't about being 'right on', or mounting an expensive publicity exercise. It means taking a responsible attitude, going beyond the minimum legal requirements and following straightforward principles that apply, whatever the size of your business. Corporate Social Responsibility is a function of operating a business that meets or exceeds the ethical, legal, commercial and public expectations that society has of business. Corporate Social Responsibility is one such niche area of Corporate Behavior and Governance that needs to get aggressively addressed and implemented tactfully in the organizations. '*Benefit From Corporate Social Responsibility*' -publicity like this can be a key part of using CSR to win contracts. People want to buy from businesses they respect. CSR can be particularly effective for targeting ethical companies, the public sector and not-for-profit organizations. At the same time, you should see CSR as part of a continuing process of building long-term value. Everything you do should help to improve your reputation and encourage customers and other stakeholders to want to be involved with you. A business that buys recycled paper - but exploits its customers and ignores the community - has missed the point. Effective CSR like this helps you continue to differentiate yourself. Even with dozens of competitors, a real commitment to CSR lets you stand out.

CSR focuses on the following six points: improving business performance and strengthening sustainability of corporate development under the conditions of legal and trust-oriented management and maintenance of a sound market economy order; protecting legal rights of the employees; building a harmonious and stable working relationship; consolidating work safety and guaranteeing employees' safety and health. Apart from these, we also need to make more efforts in public welfare participation and environmental protection by reducing consumption of resources in order to speed up the construction of a harmonious society. It demands that commercial success be gained through positive practices that aim to promote general welfare. Success, after all, is not only measured in monetary terms, but also the corporation's impact on the community, on its customers and on the environment.

India is a fast growing economy and is booming with national and multinational firms. At the same time, the Indian land also faces social challenges like poverty, population growth, corruption, illiteracy just to name a few. Therefore, it is all the more imperative for the Indian companies to be sensitized to CSR in the right perspective in order to facilitate and create an enabling environment for equitable partnership between the civil society and business. Corporate Social Responsibility provides the benefits to the organization to gain good will in society. Mahindra and Mahindra Ltd. are deeply involved in philanthropic activities like providing education to poor children. In this paper, we are discussing CSR activities which have been undertaken by the Mahindra and Mahindra group for the betterment of the society.

OBJECTIVES OF THE STUDY

- ✿ To study the health and disaster related help programs started by Mahindra and Mahindra Limited.

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- ✿ To study the company's contribution towards the development of art and culture.
- ✿ To study the company's efforts in promoting education.
- ✿ To study the initiatives taken by the company to protect the environment.
- ✿ To study the company's initiatives towards the betterment of the girl child.
- ✿ And to study the various other schemes provided by Mahindra and Mahindra Limited for the welfare of the employees and the society.

✿HEALTH AND DISASTER RELIEF - MAHINDRA FOUNDATION

The Mahindra Foundation has been set up with a specific objective: to provide medical relief to the poor and needy sections of the society. The foundation has helped patients suffering from cancer, heart ailments as well as burn victims. It has also been very active during national calamities and disasters and has helped to contribute and mobilize resources. The foundation also extends its support to academia and other professionals and sportsmen by helping them attend workshops and conferences overseas. The Mahindra Group has always been very responsive to any major disaster in India. Whether it's been the tsunami or the Gujarat earthquake, the Mahindra family has got together and always provided support either by way of financial help or by way of sending vehicles, supplying material or manpower.

✿ART AND CULTURE-THEATRE WEEK

The Mahindra Excellence in Theatre Awards (META) is the latest in the Mahindra Group's efforts to encourage national theatre in two broad categories - Emerging theatre and Established theatre. The annual awards are in tune with the Group's Corporate Social Responsibility programmes, which have already received a fillip in the Conglomerate's 60th anniversary year. The awards will initially cover English & Hindi theatre and include other language productions at a later stage. The Critic's Panel, consisting of expert theatre and literary personalities based in the four metros, has overseen the selection of the plays in both categories. The awards are in the following categories (separately for each category): Best Play / Production, Best Direction, Best Actor, Best Actress, Best Playwright, Best Lighting Design, Best Soundtrack, Best Costume Design, Best Set Design, Best Adapted Work, Best Supporting Actor, Best Supporting Actress. The selection process covers four broad areas of the country, namely, North, South, East and West. The Critic's Panels are based in each of the four regional hubs of India -Kolkata; Mumbai, Delhi and Bangalore. Six plays are selected from each region and are referred to the respective Critic's Panel. The Panel from each metro city then sends the final list of eight productions to the Grand National Jury. The Grand National Jury for the year 2006 included theatre luminaries such as Shyamanand Jalan, Shabana Azmi, Ila Arun, Shashi Kapoor, Zafar Hai and M. S. Sathyu. The Mahindra Group also plans to set up a Mahindra Academy for Excellence in Theatre.

✿EDUCATION

IT was established by the late Mr. K. C. Mahindra in 1953, the K. C. Mahindra Education Trust aims to 'Transform the lives of people in India through education, by providing financial assistance and recognition to them, across age groups and across income strata'. It was registered as a Public Charitable Trust under the Bombay Public Trusts Act, 1950. The K.C. Mahindra Education Trust has undertaken a number of education initiatives to make a difference to the lives of deserving students. The trust promotes education mainly by way of scholarships. It has provided more than Rs. 13.80 crores (approximately US \$ 3.0 million) in the form of grants, scholarships and loans. Some of these scholarships were instituted as far back as the 1950's, while others were founded recently. These are funded through an investment portfolio, the main donors of which are the Mahindra Group of companies.

✿MAHINDRA EDUCATION SOCIETY

As part of its Corporate Social Responsibility activities, the Mahindra Group has established schools near its factories primarily for children of its employees. At present, the group has three schools that impart high standards of education - Mahindra Academy at Malad in Mumbai, Mahindra Academy in Zaheerabad, Andhra Pradesh and a school in Khopoli, Maharashtra. The establishment of these schools has not just benefitted their employees but also the community around these schools. Teachers at these schools are qualified and undergo regular training as well as

attend relevant workshops. Their teaching methodologies are constantly evaluated and modified when necessary.

❀ MAHINDRA UNITED WORLD COLLEGE

The striking feature of the United World Colleges is that they embrace the entire world across all divides of race history, culture, wealth, religion, economic status and political belief: they are unique and they are conscious of their responsibilities. Nelson Mandela, United World College Honorary President, The Mahindra United World College of India, part of the United World College movement, was founded by the late Harish Mahindra in 1997. It is the Group's endeavor to promote world-class education with an emphasis on the ideals of peace and understanding, central to the ethos of the United World Colleges. There are 10 United World Colleges spread across the globe, with colleges situated in United Kingdom, Singapore, Canada, Swaziland, Italy, United States of America, Venezuela, Hong Kong, Norway and India. Her Majesty Queen, Noor of the Hashemite Kingdom of Jordan is the President of the United World Colleges and Mr. Nelson Mandela, former President of the Republic of South Africa, is the Honorary President of the United World College International Council. Located 40 kms. west of Pune, the Mahindra United World College of India brings together students of various nationalities for a pre-university degree. The school is global not only because of the International Baccalaureate degree, but also because of the true international culture in which the students study, live and learn. Each year's batch of about 100 students accommodates about 65 to 70 from abroad. The faculty includes professors from Argentina, Australia, Austria, Cameroon, Canada, Colombia, Ecuador, France, Germany, India, Italy, Japan, Malaysia, Mexico, the Netherlands, New Zealand, Sweden, South Africa, UK and USA. The teacher-student ratio is 1:9. This international mix facilitates global exposure and helps students transcend all artificial barriers based on race, religion, ethnicity, class, gender or nationality. Keen focus is given on all-round development, and students are encouraged to think innovatively by involving themselves in socially and environmentally relevant issues. The students also contribute to the local neighborhood through community service programmes.

❀ ENVIRONMENT INITIATIVES

Environment protection is a part of everyday being at the Mahindra Group. Right from Mahindra products- such as vehicles which are designed to meet international standards of safety and emission, to all Mahindra plants across the nation which comply way beyond necessary environmental regulations by setting new standards in natural resource conservation, efficient water management and with the most recent Green IT; the Mahindra Group has shown that it cares for planet earth proactively. Towards making planet Earth greener, the Group vowed to plant One Million Trees across the nation by October 2008 under the *Mahindra Hariyali initiative*. Mahindra Hariyali is a mass tree plantation initiative undertaken by each and every Mahindra location - be it a plant/factory setting or a corporate office. *Shramdaan* by Mahindra employees (and their families) themselves and even Mahindra dealers is a major driver of the initiative. With strong and meaningful partnerships with various stakeholders in the civil society such as schools, colleges, trusts, and also the Government (Forest Departments etc), the *Mahindra Hariyali* model ensures plantation and nurturing of these trees in the society at large. What started as a seed with top management vision is now bearing fruits towards reaching the zenith of completion. Since 1984, the Mahindra Group has been lending a hand to the 'Green Bombay' movement by developing and maintaining municipal gardens. Greenery is at a high premium as the city has less than half an acre of open place per thousand people. That's ten times less than Delhi and twenty times less than what London offers. The Group has transformed three municipal gardens. The Shivaji Garden (near Gateway of India) is admired for its beautiful architecture and flourishing plants and flowers. Completely renovated by the Mahindra Group at a cost of Rs. 6 Lakhs, it now has pathways for pedestrians as well as new stretches of lawns and flowers. An area formerly frequented by anti-social elements has been merged with the garden, to prevent further misuse. Every effort has been taken to keep the garden in an immaculate condition and visiting hours are in place, facilitating maintenance work. The Traffic Island Garden (opposite Regal Cinema) has been completely renovated by the Mahindra Group at the cost of Rs. 1 Lakh. New lamp posts and a variety of plants were put into place and the fountain was restored to its former glory. The garden provides visual relief in this crowded and traffic congested circle.

The third garden is located at the junction of Madame Cama Road, to the south of Oval Maidan. This is a brand new garden, developed by the group from scratch, at a cost of Rs. 1.5 Lakhs. Formerly misused by vagrants, it is now a

serene and beautiful little corner.

The President of India and all VVIP's who witnessed the Presidential Review recently were very happy about the way the Gateway has been given a new look.

❁SCHEMES OF THE COMPANY TOWARDS THE BETTERMENT OF THE GIRL CHILD

In many parts of India, the arrival of a baby girl calls for mourning rather than celebration. Abandoning them at birth or marrying them off as children is a common practice. Looked upon as huge economic burdens, it is hardly surprising that many Indian families don't see the point in investing in their education. Government of India statistics reveal that only three out of ten girls who enter Std. I complete Std. X. While enrolment rates of girls are improving marginally in India, dropout levels remain alarmingly high. At primary school level, over 45% of the girls dropout of school and this increases to over 73% by the time the child has reached Std. X. Research has shown that reasons for this dropout may be as minor as the girl child not being able to afford a dress/uniform to go to school and could include more complex factors like girls taking on the responsibility of household chores at a very young age as a result of gender stereotyping. Successful education of the girl child has been repeatedly acknowledged as to be an effective mechanism to break the inter generational cycle of poverty, myths, social norms and social evils. Research conducted in developing countries has shown that a literate female population is linked to reduction in population growth rates. On the other hand, illiteracy breeds ignorance and fear and only increases the girl child's vulnerability to be exposed to lifelong abuse and exploitation.

The Mahindra Group had started the project *Nanhi Kali* for the girl child. Project Nanhi Kali was initiated in 1996 by K. C. Mahindra Education Trust (KCMET) with an objective of providing primary education to the underprivileged girl child in India. In 2005, KCMET entered into a partnership with Naandi Foundation, a reputed NGO, to jointly manage the programme. Through this partnership, the two not for profit organizations aim to extend 10 years of quality education to the under privileged girl children. Nanhi Kali has successfully evolved over the years into a national girl child sponsorship programme, which supports the education of girls by providing not only academic support, but also direct material support in the form of uniforms, clothes, note books etc. Nanhi Kali is a participatory project where individuals, groups and corporates are encouraged to sponsor the education of a girl child for a minimum period of one year. To become a guardian of a Nanhi Kali, it costs only Rs. 1800 (for girls studying in Std 1-7) and Rs.2500 (for girls studying in Std 8-10) per girl child, per annum. The Nanhi Kali project is working with 25 NGO implementation partners at the grass root level to ensure that the girls receive academic and material support. The K. C. Mahindra Education Trust regularly monitors the NGOs giving technical inputs wherever required to ensure that quality education is being imparted to all the Nanhi Kali's. Sponsors receive a profile of the girl along with her photograph followed by regular Progress Reports, so that they can track the academic records of their sponsored child. The project currently supports the education of over 50,800 underprivileged girl children.

NANHI KALI - MILESTONES

In 2005, the Mahindra Group, on the occasion of its 60th anniversary, undertook the sponsorship of 6000 Nanhi Kalis, making M&M the single largest corporate donor for the Nanhi Kali programme. This was when the Nanhi Kali programme showed great potential to develop successfully as a model for Corporate NGO Civil Society partnership. In 2006, KCMET entered into a unique partnership with the Government of Rajasthan to jointly educate 10,000 under privileged girl children in the tribal district of Udaipur through the Nanhi Kali project. Nanhi Kali plans to reach out to 100000 underprivileged girl children by 2008.

SPONSORS OF THE NANHI KALI PROJECT

Till date, the Nanhi Kali project has changed the lives of over 33,000 Nanhi Kalis. The Mahindra Group believes that this would not have been possible without the selfless and concerted support of all the individuals and corporates who have sponsored the little Nanhi Kalis. Bank of America; HDFC Bank Ltd.; Hindustan Petroleum Corporation Ltd.; Hindustan Unilever Ltd.; Housing Development Finance Corporation Ltd.; Indian Oil Corporation Ltd.;

Infrastructure Development Finance Company Ltd.; JM Morgan Stanley Foundation; Johnson & Johnson Ltd.; Johnson & Johnson Medical Asia Pacific; Mahindra & Mahindra Financial Services Ltd.; Mahindra & Mahindra Holidays & Resorts Pvt. Ltd.; Mahindra & Mahindra Ltd.; Mahindra & Mahindra Workers Union; Mahindra Ugine Steel Company Ltd.; Mankind Pharma Pvt. Ltd.; Microsoft India (R&D) Pvt. Ltd.; Monster.com India Pvt. Ltd.; Motherson Sumi Systems Ltd.; Oil India Ltd.; Pallonji & Co. Pvt. Ltd.; Shital Motors Pvt. Ltd.; Sona Okegawa Precision Forgings Ltd.; Standard Chartered Bank; State Bank of India; Tech Mahindra Ltd.; Value Labs Foundation; Volkart Foundation; Western Union Foundation; Wipro GE Healthcare Pvt. Ltd.; Yes Bank are the corporate sponsors of the Nanhi Kali project.

❁ OTHER SCHEMES PROVIDED BY THE MAHINDRA GROUP

ESOPs (EMPLOYEE SOCIAL OPTIONS)

What is commonly known as Employee Stock Options has a whole new meaning at the Mahindra Group. ESOPs here stands for Employee Social Options, a systematic employee-volunteering Programme under CSR (Corporate Social Responsibility). ESOPs, started in 2005, is a set of social work volunteering options that are created and implemented exclusively by employees themselves based on the needs of underprivileged communities in and around their areas of operation. In a way, it is each employee's "CSR ESOPs" enables Mahindra workforce to collectively donate thousands of human hours for various social projects, in the three focused areas of Education, Health and Environment, making social work an integral part of their lives. Launching ESOPs was an acknowledgment of the company that similar to its own outlook towards social responsibility; there were many employees who individually or through teams were as charitably inclined, if not more. ESOPs made giving back to society not only a management value, but a team value as well, and more importantly, gave it a distinctive identity. Employees along with their families participate in the ESOPs activities in the nearby communities. Since 2005, the numbers of ESOPs Volunteers across locations has increased manifold from a just a few hundred volunteers to **14,535 Volunteers** (March 2008). **Today, ESOPs activities are being conducted regularly in the following Indian States:** Andhra Pradesh, Assam, Bihar, Chattisgarh, Goa, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal and Union Territories of Delhi and Chandigarh.

EMPLOYEES OF THE MAHINDRA GROUP SPEAK ABOUT THEIR EXPERIENCES AFTER VOLUNTEERING IN ESOPs

"It was a unique experience for me as I am participating in such a camp for the first time. It has given me immense pleasure to serve the needy people of the society, which is not too easy for an individual". - Mr. Pradeep Dabholkar, an ESOPs volunteer after conducting a Premonsoon Health Check up camp in Goregaon, Mumbai.

"The joy and satisfaction on the faces of these school children has motivated me to do more such activities in the future." said Mr. Sanjay Tikle, an ESOPs employee after organizing 'Project reach Out' -an infrastructure upgradation project at Kanhe Zillah Parishad primary school. *"When the patient hugged me, I felt like I received a Nobel prize"*, an ESOPs Volunteer after volunteering in the Lifeline Express-Project, Rudrapur, Uttarakhand. *"...as I distributed food and drinks to the residents who were not able to move physically, I realized that one old man could move; but he just liked being pampered .."* Mr. Amol Khewoor, an ESOPs Volunteer, who spent a day at an Old Age Home with Mahindra Towers ESOPs Team (May 07). *"This has been an Eye Opening session for me. I never knew people with such grave difficulties even existed"* an ESOPs Volunteer from Club Mahindra Ooty at an Entertainment program conducted at Pope Paul Mercy Home, Nanjanadu, Ooty (A home for aged & physically/mentally challenged) June 07. *"These patients seem very needy, working for them has given me immense satisfaction.."* said Saroj, a part of the ESOPs team of FES Kandivili which coordinated a Medical Camp in a tribal area - Kashi Gaon Mashyacha Pada Dist. Thane (June 07). *"I was so touched to receive such a traditional welcome by all the villagers"* said ESOPs Volunteer Mr. S. K. Naik from AS Igatputi at a joint tree plantation drive at Ubhade villagel, Ghoti, Tal. Igatpuri, Dist. Nashik. *"It was a wonderful experience spending time with the children. Their unforgettable smiles makes me want to spend those moments again with them"* - Natasha Hombal from MMFSL, after spending time with children of Chembur Municipal School at a health camp "Swasth Bachpan" organized by ESOPs Volunteers (Aug 07). *"After donating blood, I felt proud that in this busy life, I had contributed to the society"*- Gaurav Mathur, ESOPs Volunteer, Jaipur Area office at the Blood donation camp organized with Red Cross society ESOPs. Some examples of

ESOPs initiatives, initiated and implemented by Mahindra by employees are: **ESOPs in Education** include activities such as: providing infrastructural support for local schools such as the Zilla Parishad schools, where students lack basic facilities (benches, books, uniforms etc); providing similar infrastructural and material support for Residential Homes such as orphanages; spending time with students to spread knowledge through career counselling; organizing extra curricular activities for schools; facilitating computer education; adopting Nanhi Kalis and so on. **ESOPs in Health** include a host of initiatives such as: Organizing blood donation camps; Health Check Ups for marginalized group porters, villages, labor community, slum dwellers etc., HIV/AIDS Awareness, Hygiene awareness, Dental Care etc. , Mobile dispensaries, Free Surgical Camps, Conduct socio-eco-survey for Cochlear Implants.

ESOPs In Environment includes activities such as: Planting Trees and nurturing them, conducting waste management workshops, awareness on power saving techniques, cleanliness drives at local levels and so on.

CONCLUSION

Mahindra and Mahindra Ltd. has undertaken various projects for the betterment of the society. And it is continuously putting efforts towards the fulfillment of corporate social responsibility. It is providing education to the girl child. This Company has introduced various culture programs for its employees. Education institutes are open by the company so that the children of the employees get education from there. It provides medical relief to the poor and needy sections of society. The foundation has helped patients suffering from cancer, heart ailments as well as burn victims. It has also been very active during national calamities and disasters and has helped to contribute and mobilize resources. We can conclude that this company is giving its full support to those activities and programmes that are helpful for the society.

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