

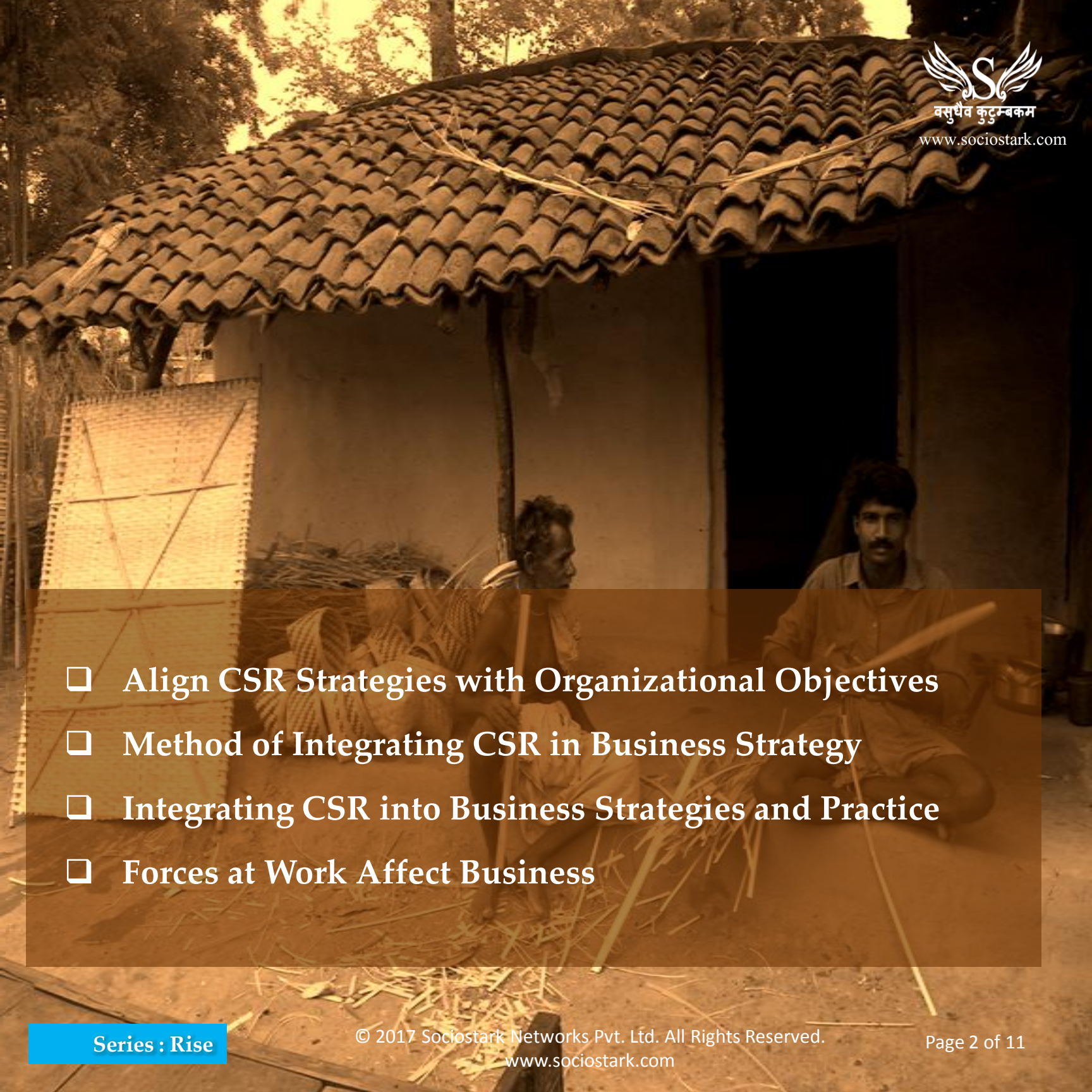
V- ALIGNING CSR STRATEGIES

Corporate Social Responsibility



Series : Rise

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- The background image shows a traditional rural house with a tiled roof. Two men are visible: one is working with a large woven basket, and the other is sitting in the doorway. The scene is set in a rural environment with trees and a dirt path.
- ☐ Align CSR Strategies with Organizational Objectives
 - ☐ Method of Integrating CSR in Business Strategy
 - ☐ Integrating CSR into Business Strategies and Practice
 - ☐ Forces at Work Affect Business

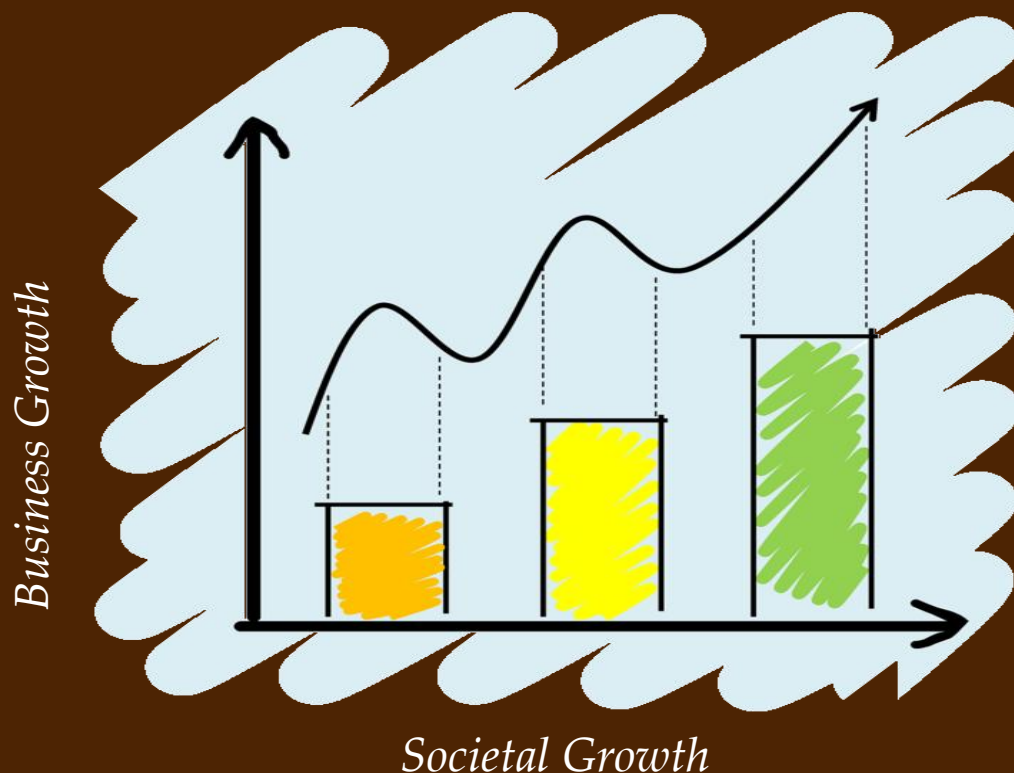
Align CSR Strategies with Organizational Objectives

In our discussions and study and also visualizing the National & International scenario, today CSR has become the game changer for business as well demand of the time. Aligning CSR strategies with organizational objectives are essential for sustainable business & stakeholders expectations (community, consumers, employees, suppliers, partners, retailers, investors & regulators).

A large number of companies are doing lots of things for their CSR, even you are doing so many things for CSR but my question is; is it effective, efficient, cost saving, impacting positivity, giving dividend to company or to society ? If your reply is not much positive then think why? The answer is simple that your efforts might be haphazard, disorganized, unaligned with your corporate objective, social needs & market demand.

Therefore it is the right time to align your CSR strategy with corporate objective and concentrate your effort on well thought, well designed sustainable programs.

Always remember CSR creates “HOPE” for good business & good society.



Many corporate are fixing their objectives, strategies for growth, productivity, supply, market, capital, efficiency & human resource and accordingly their work force endeavor to achieve the objective by giving best effort through defined strategies.

Unfortunately, in many company CSR strategies are not so clear as compared to the other corporate strategies, CSR efforts are random, unfocused, unlinked with business and overall corporate goals.

It is pertinent to draw your attention towards recent Indian Companies Act 2013, the act is no doubt a well thought & propounded for Indian pretext based on Business sustainability. To give more focused CSR, board of Directors are made responsible and disclosure of expenditure are made mandatory.

No doubt that CSR expenditure is mandatory for certain companies under The Companies Act, 2013, but it could be said that the real intention of the government behind these provisions was to provide an opportunity to corporate to bridge the gap between society and business.

The time has come when every business unit must have a clear vision of CSR embedded in corporate culture and reflected by the core value of the company – recognizing that it creates social, environmental and business value. CSR should be treated and managed as core business function i.e. other functions production, sales, finance, supply & HR instead of ad hoc CSR.

Method of Integrating CSR in Business Strategy

- ❖ Identify which forces at work challenges the business process.
(Challenges & Opportunities)
- ❖ How these challenges influences business & stakeholders concerns.
(Dimensions of CSR)
- ❖ How to integrate CSR into business strategies and practices.
(Implementation)



Integrating CSR into Business Strategies and Practice

Following steps are essential and helps in integrating CSR in to business strategies and practices :

Step 1: Define vision, mission, objective and commitment.

Step 2: Assess your capacity & affordability.

Step 3: Assessment of external environment and relate it to your business.

Step 4: Review your internal structure, strategy & plan of action.

Step 5: Develop implementation methodology.

Step 6: Measure impact & report.

Step 7: Get feedback from stakeholders, Govt. and civil societies.

Forces at Work Affect Business

Globalization – Today the business has crossed the national boundaries, corporations, organizations, business and governments are dealing with others in the global market for finance, raw materials, sales etc. Environmentalist lamented globalization for its destructive impact, social activist & indigenous peoples blaming it for disappearance of local culture.

Increasing Competition - Global competition has created the business turbulence & instability which will probably never stop. Increasing intensity of competition, force companies to consider CSR as tool for competitive advantages.

Technological development - Technological development influences sustainability of business. Information systems have become an integral part of how organizations work and compete. In order to be used effectively, technology needs to be understood. It can transform markets, alleviating burdensome tasks, enabling greater customization of production, and contributing to high labor displacement. Incorporating CSR into technology i.e. making safe and ecology friendly products leads to a better competitive advantage.



Human capital - Human capital is the value that an employee provides to an employer. This value is related to skills, knowledge, and experience, which employees use in any type of business. Like any investment in other factors of production, businesses should also invest in human capital and link employee work objectives to business goals. What is missing is CSR. Integrating CSR into employee work objectives can foster competitive advantages & retention.

Legislation - In India, the concept of CSR is governed by section 135 of the Companies Act, 2013. The CSR provisions & rules are the mandatory, thus it is necessary to include CSR in the business strategy as well as to their priorities.

The forces and trends, elaborated above, bring us to stakeholders concerns in terms of integrating the interests and needs of customers, employees, business partners, the environment, communities and investors into business strategies and practice.

No doubt when CSR is aligned to business strategy, Company will succeed in creating value, increased production, increased sales, easy entrance in new market, create brand differentiation over competitors, attracts investor and collaborators and reach the sectoral bench marks.

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SNPL's social development team

The social development team at SNPL advises clients on the impact that the social development environment may have on their businesses, combining vision, policy and mandate with data analytics to help them develop their strategies for sustainable development and better SROI.

With the social environment expected to remain diverse and at large, risks as well as opportunities to integrate business with inclusive holistic growth of society. At the same time, organizations can benefit themselves by benefitting society, adhering ethics, social policy, regulations and socio economic development with an aim to contribute society, nation and ultimately the world.

The Sociostark team helps clients to identify risks and opportunities in their current and future social development investment for better SROI.

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