The chief aim of this chapter is to examine the various aspects involved in the managing of social issue response process and to outline certain basic principles that will help remove obstacles and improve the performance in the social areas of effort.

Social demands are often vague, even though forceful and conflicting even though worthy. Certain of these demands become translated into law, where the only remaining question becomes the speed and spirit of obedience by corporate managers. It can be, therefore, said that the degree of commitment to social responsibility of executives may be effectively gauged by the implementation time-table drawn by them. As such, corporate executives should concern themselves with the various issues related to the making and implementing social policies which present ticklish problems like, reconciling the conflicting interests of stakeholders, rank ordering of social demands, harmonising the attitudes of executives, deciding the posture of company

against each problem area, defining the objectives in the social areas of effort, committing the resources of enterprise, determining the mode of operation viz., whether to go alone or to work in cooperation with other companies or agencies, perceiving the various obstacles, within and without organisation and finding means to overcome them etc.

**Need for Systematisation:**

The design of social performance system is based on the assumption that social responsibility is a manageable function of business just as the other functional areas like production, marketing and finance. However, there are certain differences that distinguish it from other functional areas.

1. The response to social demands tends to be a 'top down affair' in terms of initiative, analysis and commitment. In contrast, the formulation and implementation of product market strategy for established and continuing operating units normally reflects 'bottoms up' initiatives in the divisionalised firm.²

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2. Another significant point is, in case of the various strategic decisions, top management tends to be sensitive, predictive and innovative to take immediate action even while the demand is in its embryonic form, prompted by the spirit of competition to retain or secure leadership position. But, in case of social demands they are allowed to emerge and gain momentum before any action is contemplated. The reason behind may not be the lack of social responsiveness but the lack of assurance as to the legitimacy of such social demands.

3. The institutionalisation process of corporate purpose takes comparatively longer period of time, as the function does not produce direct and immediate benefits, in many a case, to the executives implementing it and the beneficiaries affected by it.

4. Many tend to regard it an issue peripheral to their function and unless top management exhibits enthusiasm and makes explicit its commitment, involvement is difficult to obtain. This is not so, in case of the traditional functions. Further, the philosophical outlook of managers at different levels tend to vary as can be seen from Chart VI-1. The lower level managers tend to be technical, middle level seem to be organisational, whereas the top level will be

## Chart VI.1
### Perspectives on Management

<table>
<thead>
<tr>
<th>Level of Management</th>
<th>Type of Manager</th>
<th>Organisational Sub-system Level</th>
<th>Skills</th>
<th>Tasks</th>
<th>Environmental System Approach</th>
<th>Technique</th>
<th>Decision Strategy</th>
<th>General Process</th>
<th>Values</th>
<th>Time Perspective</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>Technical</td>
<td>Operating</td>
<td>Technical social conceptual</td>
<td>Achieving objectives efficiently and effectively</td>
<td>Closed</td>
<td>Engineering &amp; Economic</td>
<td>Quantitative</td>
<td>Computational</td>
<td>Programmable Group Ethics term</td>
<td>Short-term Maximisation</td>
<td></td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td>Middle</td>
<td>Organisational</td>
<td>Coordinative</td>
<td>Social Technical conceptual</td>
<td>Integrate all internal activities</td>
<td>Semi-closed</td>
<td>Economic &amp; Political</td>
<td>Mediation tactics</td>
<td>Compro-</td>
<td>Less Organisational term</td>
<td>Less Organisational term</td>
<td>Maximisation</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Top</td>
<td>Institutional</td>
<td>Strategic</td>
<td>Conceptual social Technical</td>
<td>Deal with uncertainty and relate organisation to its environment</td>
<td>Open</td>
<td>Philosophical</td>
<td>Environ-</td>
<td>Subjective &amp; forecast Judge- and</td>
<td>Non-programmable Ethics</td>
<td>Social Long-term</td>
<td>Satisfaction</td>
</tr>
<tr>
<td></td>
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</tbody>
</table>

**Sources:**
institutional. These differences contribute to delay in the institutionalisation of social purpose.

On account of the above mentioned factors, most corporate ventures in the arena of social responsibility are likely to be reflex actions. But with the intensifying pressures to deal with more number of social responsibility issues that require the commitment of more resources over a long span of time and major organisational modifications, the need for replacing the hodge-podge or adhoc approach by systematic approach is realised. The need for treating it on par with other functional areas is well recognised. Whatever may be the posture of a company, systematisation is advantageous for, it narrows down the 'Zone of discretion' and elicits ready commitment of managers, eliminates wastages and enhances company's image.

Evolving Performance System:

The four elemental parts of the performance system as presented in Chart VI-2 are:

1. Intelligence system
2. Planning system
3. Organisational system, and
4. Control system.

**Chart VI.2**

**Social Performance System - An Overview**

<table>
<thead>
<tr>
<th>System Components</th>
<th>Description</th>
<th>Methods</th>
<th>Burdens</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intelligence Stimulation System</strong></td>
<td>Perceiving the problems and appreciating the need for a policy response</td>
<td>Preparation of socio-technical and economic forecasts</td>
<td>Anti-business climate, negative or indifferent attitude of managers, fast changing environment and values, and inadequacy of forecasting methods and techniques</td>
<td>Generation of active campaign to impress upon the government the need for making an overhaul of socio-economic-political set up, creating efficient administrative set up, encouraging growth, and development and rewarding 'responsive' organisations, adoption of modern tools and techniques of forecasting and training the managers to become skillful in handling social issues.</td>
</tr>
<tr>
<td><strong>Planning Formulation System</strong></td>
<td>Defining the dimensions of policy-response by designing a 'responsibility mix' through consideration of priorities in various concerned areas and creating accountability standards</td>
<td>Preparation of Matrix of issues with social consequences and the constituencies</td>
<td>Differences in the perceptions of executives in the organisation, limited resources, lack of adequate information, poor response from other agencies</td>
<td>Formulations of broad and clear-cut policies that reflect the top management philosophy, encouraging managers at various levels in decision-making processes, long term approach to resource allocation, establishing live communication links with other agencies, and developing rapport</td>
</tr>
<tr>
<td><strong>Organisational Implementation System</strong></td>
<td>Translating the decision into actions by involvement of resources</td>
<td>Establishment of social Responsibility committee/Department</td>
<td>Scarcity of managers, paucity of resources, differences in the perceptions of the executive, lack of proper standards, incentive, fear of drift from primary task, lack of cooperation from other agencies, poor response from people for whose benefit the programme is undertaken</td>
<td>Design of Authority - responsibility accountability system, design of proper reward penalty system, provision of guidance and leadership, securing cooperation from other agencies, involving people of local area for whose benefit the programme is undertaken both physically and emotionally.</td>
</tr>
<tr>
<td><strong>Controlling System</strong></td>
<td>a) Collection</td>
<td>Gathering data on the consequences of the policy with reference to social indicators in pre-selected areas</td>
<td>Preparation of Social Audit</td>
<td>Less amenability of the information to quantification, poor or varied response from the people benefited by the programme</td>
</tr>
<tr>
<td></td>
<td>b) Evaluation</td>
<td>Assessing effectiveness of the policy through measurement of actual performance against social indicators in pre-selected areas</td>
<td>Social indicators are ambiguous and less exact</td>
<td>Preparation of social audit to furnish relevant cost-benefit information to various stakeholders, on the various social issues; arrangement of local meeting to explain performance and explore improvements.</td>
</tr>
<tr>
<td></td>
<td>c) Communication</td>
<td>Informing social performance achievements to various constituent groups</td>
<td>Inadequate and imprecise information due to the longevity of projects and intangibility of benefits</td>
<td>Annual reports, News bulletins, Letters and Advertisements.</td>
</tr>
</tbody>
</table>
By stimulus-adaptive response orientation, the manager has to identify the major social issues related to business and list them to initiate actions. He must be aware of the rapidly changing environment, values and expectations, that place continuously changing demands on business. Social demands are caused by the social problems which may be defined as 'a gap between society's expectations of social conditions and present social realities'. Social expectations are the set of demands and priorities held by the people of a society at a given time. Social realities mean the set of laws, regulations, customs and organisations, along with the appurtenant economic, political, and social processes that prevail at a given time. The seriousness of a problem is defined in terms of the size of the expectation-reality gap.6

The prepared list of problems should be exhaustive and should be the product of not only the manager's thinking but also of the outsiders. The three major sources of initiation of new concerns are:

1. Feed back from monitoring devices set up for the purpose by the organisation.

2. Persons in professional and industrial roles with their associated pressure groups.

3. Professional initiators like journalists and academicians, whose focus is on discovering new concerns.  

This kind of approach to identify problems, minimises personal bias and avoids myopic view.

A sound intelligence system will be sensitive and effective enough to keep management informed about changes taking place in the society and helps in forecasting the direction and magnitude of changes with the needed accuracy.

Planning System:

Successful implementation of social responsibility programmes requires the establishment of clear cut objectives and specification of desired involvement. Therefore, top management has to initiate the design of policy-procedure framework by communicating to the managers at the various levels to prepare policies and procedures.

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As a first step in the direction, a logical classification of various social issues is to be made based upon their relatedness to various stakeholders. Then, depending upon the resources at the disposal of the company and the degree of relevance and significance of the issue to the society, priorities are to be assigned to the various issues and the most important ones are to be chosen. The evaluation should be made by developing quantitative data wherever it is possible. To meet this end, various data sources are to be identified and information is to be collected and utilised. Wherever quantified data is not available, reliance on qualitative information is inevitable.\(^8\) The next step in the process is to select the most critical activity areas and develop basic strategies for each activity area. It involves the consideration of the following questions:

1. What should be the posture of the company vis-a-vis a particular activity?
2. What should be the amount of resources to be committed to each activity and how long?
3. Should other agencies be asked to cooperate? What agencies?

Once company-wide policies and strategies are made the preparation of derivative policies and procedures which clarify the goals and indicate the degree of involvement of the middle and lower level executives, can take place.

**Organisational System:**

Different organizational arrangements depending upon the nature and size of social commitment can be envisaged. Five possible approaches include:  

1. **The Task Force:** A team of capable executives with interest in social responsibility shall be chosen and entrusted the task. They will be given the support of staff members to make their contribution effective.

Merits:

1. It is a good way to get an activity started quickly.

2. If team members are selected carefully the task force brings together a group of knowledgeable in many key-operating elements of the business.

3. The success of the task force generates an atmosphere conducive to further participation in social responsibility project.

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9 Ibid.
Demerits:

1. Since it tends to be a crisis-oriented approach, mid to long range planning cannot be effected.

2. It cannot bring necessary modifications in substantial shape as the communication between task force and operating managers is limited.

3. Task force members, being temporary participants cannot be effective due to lack of interest, knowledge and the short range of job itself.

4. Lack of rapport among task force members may sabotage the entire program and vitiate the atmosphere.

Thus, the important factors to make this option effective are good people, a focussed effort, and quality staff work.

2. The Permanent Board Committee: A Board-level committee has several arguments in its favour:

a) As tangible evidence of top management's commitment to deal with social responsibility issues, it is a stimulus for the effort to gain support at key operating levels.

b) With the muscle of individual board members behind the effort, the review procedure can be rigorous and thorough.
c) Since most board members have a broad perspective their approach to social responsibility issues can be more comprehensive.

d) Outside board members often can bring new insights to the subject and thus can contribute significantly to the effort.

Some arguments against it are:

a) Board members' involvement will be less due to heavy time demands placed on them.

b) They cannot understand in full dimension the implications of responsibility for they have little time to discuss and pursue.

c) Many Board members will be away from daily operations and their ability to visualise the operating problems will be minimum.

d) As Board members cannot continuously be in touch with the progress of the program, the effort will get slackened.

3. The Officer on Rotation: Because of the heavy time commitment necessary, a top level officer may be entrusted with the task of implementing social responsibility. Company electing this approach generally rotates the job every two or three years to ensure that qualified managers will be receptive to such an assignment. The officer will be
supported by a quality staff. The only draw back is, the rotation results in discontinuity and slackens the drive of the effort.

4. The Permanent Management Committee: A permanent management committee has many of the attributes of the board committee. It has the same need for good staff work, sufficient time commitment of committee members, and specific background information for decision-making.

Controlling System:

The principal object of the control system is to measure the variance between the expected and actual performance and point out the need for taking appropriate measures to eliminate it. Standards, which provide a basis against which performance can be measured are often the results of the goals the organisation formulates during its planning phase. The major problem most managers encounter is how to measure actual performance. Social performance seems to defy any form of accurate evaluation. The traditional indices like provision of employment opportunities, contribution to national income, regularly wage payments, number of products etc., are only crude measures of social performance, and they will be of little help. In addition to these, new measures which take into consideration
industrial safety, female hiring, pollution, support to small enterprises, etc., are to be employed. Some Companies are attempting to develop a 'Happiness Index' which includes almost all factors that each constituent group considers to be of value. Some of the tools suggested include social sensors, feedback processes and social audits. 10 Social sensors need have to go beyond traditional market research programmes and embrace public opinion polls and surveys.

A Social audit certified by independent auditors will not only enhance the credibility of business but also help point out objectively the gaps between public expectations and the company performances. There are many approaches to develop social audits. The Inventory or Checklist method involves the cataloguing of what the company is doing or not doing in social areas of action. A second one, Input analysis approach seeks to identify and measure expenditures which have been made for social programmes. The third one, the performance goals approach, is concerned with setting up of goals in the diverse social responsibility areas against which performance can be appraised. Another one is the cost-benefit estimate method. It is a description and quantitative and qualitative analysis of a specific programme

activity intended to provide with information about costs incurred and benefits accrued. The Comprehensive audit, which integrates the financial statements with social statements, reflects the high level of sophistication. The difficulties in measurements and the heavy expenditure involved are the main factors that discourage the use of comprehensive audits.\textsuperscript{11}

Strategy for Responsiveness:

An important aspect that draws the attention of the top executive is the development of a strategy to govern social responsiveness. A useful model would encompass the answer to the following questions: \textsuperscript{12}

1. Which social demands are of sufficient importance to warrant a corporate-wide implementation effort?

2. Should this effort have its goal above average or higher than currently required performance?

3. What should be the degree of response to the demands—present and new?


\textsuperscript{12} Ackerman, R.W., Op. Cit., p.2.
Depending upon the philosophy of top management, two models of corporate responsiveness can be identified. One is the 'business policy model', which takes as its starting point the proposition that social issues are simply environmental factors to be considered by management when forming an organisational strategy. An alternative model was articulated by Votaw and Sethi, which is called the 'pressure-response model', in which the formation of management commitment occurs incrementally as a series of particular actions are taken in response to social pressures. The business policy model emphasises managerial initiative and the values of the chief executive. Commitment of social policy there becomes a manifestation of management identification of the issue and a subsequent decision to make the organisational commitment. The pressure-response model argues that legal compulsion and the pressure of relevant publics are at the heart of corporate response.

to social demands. In this context, management's preference (initiative) is to ignore social demands whenever possible, responding only when required by law or events.16

The 'pressure-response model' and the business-policy model are referred to respectively as 'Social Conformist approach' and 'Social reformist approach' which may be comparable to the 'Social Obligation: Proscriptive' approach and 'Social Responsibility: Prescriptive' approach developed by Sethi.17 A brief activity analysis of Corporations adopting the two approaches is made in Chart VI-3.


Chart VI.3
Approaches to Social Responsibility

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Social Conformist Approach</th>
<th>Social Reformist Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Socio-economic</td>
<td>Makes substantial profits without violating the established legal and moral laws.</td>
<td>Makes reasonable profits to generate sufficient funds for meeting the enterprise needs and distributes benefits to consumers, employees, shareholders and community. Promotes economic development through creation of several employment oriented units in the rural and urban areas.</td>
</tr>
<tr>
<td>2. Socio-technological</td>
<td>Adopts the technological innovation that increase profitability of the enterprise and takes measures to reduce pollution.</td>
<td>Adopts those technological innovations which will be less hazardous to the employees and less harmful to the society, though it results in less profitability. Organizes campaigns for clean environment. Intensifies research and development activities to find less-polluting highly productive machinery and processes.</td>
</tr>
<tr>
<td>3. Socio-political</td>
<td>Employs Democratic-Consultative styles of management within the firm, and reveals true and fair information to stock-holders. Adopts fair competitive practices to enhance consumer loyalty. Recognises the need for co-operating with Trade Unions, Consumer Councils, Shareholder associations etc., and extends due co-operation.</td>
<td>Employs Democratic-Participative style of leadership and promotes genuine trade unionism. Reveals true and full information to enhance company image and legitimacy in the eye of the public. Adopts fair competitive practices. Actively associates with various associations of stakeholders and lends whole hearted support.</td>
</tr>
<tr>
<td>4. Socio-cultural</td>
<td>Donates funds to the various associations only when such contributions are tax-exempt.</td>
<td>Provides substantial support to community improvement programmes, like health, medicare, sanitation, arts, education etc. Participates in the relief/rehabilitation programmes in times of natural calamities. Takes active part in rural development through adoption measures and creates facilities necessary for healthy and comfortable living.</td>
</tr>
</tbody>
</table>
Response Categories:

Within the two broad approaches outlined, the kind of response to the social demands varies widely from company to company. At any point of time, the response is a function of host of factors like - philosophy of top management, competence and integrity of employees, extent of resources available, the cooperation of trade union, encouragement provided by the government and the support of other development and social agencies. The various kinds of responses with the images that they project in the minds of public are presented in Chart VI-4. 19

### Categories of Social Response

<table>
<thead>
<tr>
<th>Approach</th>
<th>Kind of Response</th>
<th>Level of effort</th>
<th>Public Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defensive</td>
<td>No action other than defensive reaction to likely criticism or investigation.</td>
<td>Worst</td>
<td></td>
</tr>
<tr>
<td>Social Conformist</td>
<td>Public Relations</td>
<td>Use of press releases and advertising about the enterprise's Social concern.</td>
<td>Poor</td>
</tr>
<tr>
<td>Legal Response</td>
<td>The minimum compliance required by law. Careful investigation of all requirements plus advance planning for likely new requirements.</td>
<td>Satisfactory</td>
<td></td>
</tr>
<tr>
<td>Bargaining Response</td>
<td>Negotiating with the group that is demanding social responsibility.</td>
<td>Honourable</td>
<td></td>
</tr>
<tr>
<td>Social Reformist</td>
<td>Progressive Response</td>
<td>Large effort to grapple with full range of issues; some breaking of new ground likely.</td>
<td>Good</td>
</tr>
<tr>
<td>Leader Response</td>
<td>Substantial experimentation and research; creating a new socioeconomic order</td>
<td>Best</td>
<td></td>
</tr>
</tbody>
</table>
HURDLES:

The impediments to progress in developing the performance systems for managing social responsiveness are rooted in both management attitudes and practices and also in technical-conceptual progress.

1. Wrong approach:

The first barrier is a widespread practice in business of taking an adhoc, crisis-oriented, firefighting approach to the treatment of social issues. An unfavourable report or opinion may produce crisis. Enormous amounts of energy and number of hours are consumed "getting on top" of such problem. Once it appears to have cooled, the task force will disband and the executives will return to finance, production, marketing - from whence they came. With such an approach, no continuity can be maintained, no expertise developed, and generally no control or performance evaluation system will emerge.

Yet another flaw is the tendency to equate responsibility to public relations. The field of public relations is involved often, in a very professional way, with developing and reinforcing a favourable image. The means used in public relations accentuate the positive
and exclude the negative. Public Relation of this kind provides no basis for managing social responsiveness. They may in the short run be time, but at a very high price in terms of both wasted resources and credibility.

2. Secret-State Mentality:

The barrier to sound management of social issues is what might be called the secret-state mentality. Paraded under the banners of competitive secrecy and confidentiality have been a host of practices akin to those of a jack boot dictatorship. The communication gap or total lack of it will generate an atmosphere of doubt and uncertainty for executives.

3. Multiplicity of demands:

The identification of the really important social demands in designing social responsibility programme is rather difficult. The selection is more or less dependent upon the pressures generated by the government, political leaders, trade unions, consumers, environmentalists etc. Each of these groups is likely to champion a cause which will subserve their own interests. Softened in attitude by the continuous persuasion of the pressure group on the one hand and constrained by the limited rationality on the other, management may make emotional rather than
rational selections. Consequent upon this, social responsibility may become a populistic gesture than a social development action.

4. Indifferent attitude of managers:

The major difficulty in implementing a social responsibility programme is the lack of enthusiasm among the company managers. As the programmes are likely to disturb the usual routine work and demand expenditure of effort which cannot be properly measured and evaluated, they consider it an extra-organisational responsibility thrust on them. The dampened spirit of the executives, hampers the progress of the social programmes.

5. Lack of universally acceptable measures:

Since people donot respond and support social concerns in abstract, an absolute medium is necessary to discover ways to make issues relevant and clear and performance measurable in no uncertain terms. However, the development of measurements presents a complicated problem to management as it requires the consideration of several intangible social factors, not amenable for quantification.

Besides these internal hurdles, some of the external hurdles that may obstruct the social performance of business enterprises may be as follows: 21

1. Ideological and methodological conflicts between the Industry and Unions;
2. The deliberate creation of hostile anti-business climate by organised political groups with self interest;
3. Unrealistic planning causing disunity between public and private sector;
4. Promulgation of unwieldy controls and unworkable laws;
5. Prohibitive and frequently changing taxation policies;
6. Corruption in the administrative machinery of government;
7. Instability and frequent changes in trade policies, licensing policies, export and import policies;
8. Violent and disruptive activities of political parties and the high frequency of agitations;
9. Lack of cooperation from the organisations concerned with the social areas of effort; and
10. Inadequacies of subsidies and incentives offered by government.

Whatsoever may be the approach selected by the enterprises, the successful operation depends upon the observation of certain basic principles.22 The important principles which highlight the essentials of social responsibility management are summarised here.

1. Principle of Harmony of Objectives

Harmony is an attitude of mind which has to be inculcated through mutual trust and goodwill. It has to come from within and cannot be imposed from outside. In a society riven by dissensions and discord it is a tiresome and time-consuming process, but it is the richly rewarding and only justifiable method of managing social responsibility. Therefore, management should try to create an atmosphere of goodwill and facilitate continuous and meaningful interaction among the stakeholder groups of the organisation. Thereby, the company will be able to make its social responsibility decisions and actions more constructive and meaningful.

2. Principle of Selectivity

This is a warning to 'look before you leap'. It discourages the practice of answering alarm bells in response

to outside pressures when and where they are generated. Companies will do well by selecting few specific areas of social action in which to concentrate their efforts than trying to do something in every area of social action. By doing so, they can make significant contribution in the chosen areas and obtain impressive results. The principle calls for a greater self restraint, higher awareness of various expectations of public, ability to lay out priorities for action and strong determination to see them to implementation.

3. **Principle of Limiting Factor**

The recognition of the various limiting factors that may cause managers to err and fail are to be recognised and search for those alternatives which will overcome the limiting factors is to be made. In case of social performance, the number of limiting factors are many, ranging from psychological inflexibilities inside the organisation to public apathy outside the firm. Therefore, the more an individual can recognise and solve for those factors which are limiting or critical to the attainment of the desired goal, the more effective the executive's performance will be.
4. **Principle of Economy of effort**

While selecting the social areas of action, management should not ignore the profitability considerations of the enterprise. It is wrong to commit an enterprise beyond a determined level of responsibility, unless management feels that the future profit margins continue to be high enough to warrant it. Further, management should always try to achieve social balance by avoiding or minimising the adverse side effect of the enterprise operations to the extent it can do so for, it saves enterprise from spending huge amounts later to redress the negative effects.

5. **Principle of Flexibility:**

Depending upon the expectations of the public enthusiasm among the employees, the extent of the resources available and the strategic position of the company, the scope of social responsibility is to be contracted or stretched. Companies that have inbuilt flexibility in social action programmes will be better placed in making adjustments in response to the changing social demands, and gain wide acclaim.
6. **Principle of Commitment:**

Performance of employees in any organisation is the direct function of their commitment to organisational goals and policies. It is a known fact that human resources are more significant than any other resource in the enterprise. A committed worker lends support, contributes his best and takes enterprise to pinnacles of success. On the other hand, an uncommitted worker can be the cause of frequent strifes and the wrecker of the organisational solidarity.

Good spirit can be accomplished by sound practices. Keeping this in view point, top management should substitute rhetoric by policies, that clearly spell the views and approach of the organisation. It is essential that top management should make its commitment explicit by precept and practice, and encourage employees identify their individual roles, display their intrinsic abilities and attain high performance levels.

7. **Principle of Voluntary involvement:**

Companies will do well by sponsoring certain programmes which will provide full scope for their employees to participate on voluntary basis. This facilitates employees actions which can be taken as individuals rather
than as representatives of the company and provides a good opportunity for them to play an effective role in pursuing their community interests.

8. **Principle of Continuity:**

Socially responsive action should be taken on a continuous basis, rather than on an adhoc, one at a time or for short duration basis. The principle is based on the conviction that a company will be able to make a much greater impact, at least cost with continuous as compared with on-again-off-again actions.

**CONCLUSION:**

Depending upon the willingness to respond, the availability of resources and the intensity of social demands, companies can choose from among different approaches to performing social responsibility function. However, a systematic approach is appreciated for, it minimises the internal obstacles and prepares organisation to easily surmount the external hurdles. Adherence to principles will clarify role of top management and creates an environment that makes concerted and productive work possible.