Dedicated to my Beloved Parents
PREFACE

Comparative studies of Corporate Social Responsibility are relatively rare, certainly as contrasted with other related fields, such as comparative corporate governance and comparative corporate law. This is to be expected in a field, CSR that is still ‘emergent’ (Mc Williams et al., 2006). Moreover, the field of empirical CSR research generally has been hampered by the lack of a consistent definition of the construct CSR, as well as its operationalization and measurement, as recently pointed out by Mc Williams et al. (2006) and Rodriguez et al. (2006).

This lack of consistency of CSR definitions across studies makes it difficult to evaluate and compare the findings from different studies because they usually refer to different dimensions of CSR. Most research on CSR focused on the consequences of CSR implementation – or lack of implementation – on financial performance with little attention to comparative issues (e.g. Barnett and Salomon, 2006 Margolis and Walsh, 2003; McWilliams and Siegel, 2000;), the main exception being a meta-analysis which includes studies conducted in the context of different countries.

Notwithstanding these difficulties, comparative studies of CSR illuminate theories of corporate governance and relationships amongst the various actors that both comprise and influence companies. Thus it is of value to attend to the studies that both comprise and influence companies. Thus it is of value to attend to the studies that have been conducted, and to develop research protocols to encourage further comparative work.

The past two decades have witnessed a remarkable change in the way the businesses run and operate. Profit maximization is no longer remains the focus of the business. The turn of events has reassurized firms to put serious efforts into a wide range of social responsibility activities and thus shift the corporate goals from socio-economic focus towards increasing shareholder value to the welfare of all stakeholders.

Corporate Social Responsibility is a much discussed and debated subject in contemporary business. It is also frequently found in the discourse of governments, public sector organisations, non-government organisations (NGOs), and even intergovernmental organisations such as the United Nations, the World Bank or the International Labour Organization. CSR, it seems, is almost everywhere. So apart from anything else, there is much to gain from an academic study of CSR.
The different people and organizations that deploy the language or tools of CSR may mean different things when they get involved with CSR. For some it represents a misguided attempt to divert money that should rightly go to shareholders; for others, it is little more than a smokescreen behind which large multinational can maintain a discredited, unsustainable business model while appearing to be responsible to the outside world; for still others, it represents a genuine opportunity to help leverage millions out of poverty in the world’s poorest countries. Ultimately corporations may do good or harm, or perhaps even very little, when they practice CSR.

With the accelerating pace of globalization and increasing competition, it becomes inevitable for companies to have clearly defined business practices with a sound focus on public interest. In recent years, the concept of Corporate Social Responsibility has gained prominence from all avenues. Business organizations, in recent years, are changing from economic profit maximizing private entities to economic quality of life enriching social institutions. CSR is no more an act synonymous with philanthropy. Activities designed to realize CSR differ from company to company and country to country. There is no unified approach in the implementation of CSR activities, which vary from corporation to corporation. Moreover, CSR implementation practices in India are not well documented. Various surveys are needed in order to understand the various issues and practical problems the companies are facing in CSR implementation.

With the growing recognition that all sectors of society are interconnected and influence each other, there is a growing realization among both public and private sector companies in India about their responsibility towards society. In the context of India’s emergence as an economic superpower, CSR has attained its importance for corporates to work towards a growth.

This academic study of CSR therefore seeks to get behind the spin and explore some of these different perspectives with real substance. It is important to recognize that, in building an understanding of CSR, the aim is not to convince anyone that CSR is necessarily right or wrong, or even that some approaches are better than others. The aim is to explore different facets of the subject, and different perspectives, in an objective way that enables anyone interested in CSR to get a clearer picture of the area and make their own mind up as to what is good or bad about a particular approach.
The study would throw light into the CSR practices of the companies, strategies adopted to implement CSR, major issues and challenges associated with the implementation, and the corporate social disclosure practices.

This study has made an attempt to examine the concept and practices of CSR in the companies spread across the district of Baroda based on the data collected from various public and private sector companies. The findings would provide an insight, as to how the organisations are practising CSR and what is the difference in their approaches adopted for practising CSR. One of the objective of the study is also to highlight the major issues and challenges associated with the implementation of CSR policies of the sample entities.

This study has made an attempt to provide a valuable insight into how the corporates are practising CSR. It has analysed the sources and patterns of sectoral differences among the industries have been reflected in CSR. Regardless of ownership patterns and structure of firms, how the companies are playing a pivotal role in promoting the process and content of CSR has been focussed.

Nivedita Swain