

CSR and Management Studies: An Exploratory Research on Creating Student's Attitude Positive for CSR.

* Sanjoy Roy

** Dr. Ashutosh Gaur

*** Bharat Kaushik

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E-mail : effulgence@rdias.ac.in, Website : www.rdias.ac.in

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Abstract

We as a human being trying to make our life comfortable and in this process we actually made our life complicated. Industrialist and Corporate Houses are running their units, business and shops etc. without have a thought on the impact on the society and environment. Management Institutes are most affected by technological changes, but seems to be less sensitive to social accountability (Raghuandan T: Strategy A Pedagogy for Efficient, Accountable and socially Responsive Higher Education) and Students of Management and Accounting who studied ethics are proved to be more ethical in their intention than those who have not studied. Therefore, we should educate the concept of CSR to our upcoming managers i.e. our students of Management Studies. The purpose of this paper is to study the efficiency of the various institutes in creating an attitude of the student towards Corporate Social responsibility.

Key Terms: CSR (Corporate social responsibility), Higher Education, Effectiveness.

INTRODUCTION

Corporate social responsibility is continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce, their families, the local community, and society at large by Holme and Watts (2000). The global business units has realized that corporation should be accountable for its environmental and social impact therefore the demand for the CSR is been increasing. Now the time has come when the corporate and higher education should focus on CSR and take initiatives (Roy Sanjoy & Malik Sonia)

Introduction of Management education in India

The first college level business school in the country was founded in 1913 in Mumbai and was soon followed by another in Delhi in 1920. These business colleges imparted basic skills about the principles of trade and commerce to clerks and supervisors from fields as diverse as banking, transport, and accounting. (Indian Management, Sept 2004). The first

Business School in India was Indian Institute of Social Welfare and Business Management, Kolkata, which was established in 1953. The All India Institute of Management and Labour welfare and the department of management, Delhi University followed suit in 1968. A number of universities set up their MBA programme in 1960s. The IIMs were patterned on the recommendation of Dean Robbins of the University of California, which was invited by the planning commission.

The first IIM was set up in 1961 at Kolkata followed by IIMs at Ahmadabad in 1961, Bangalore in 1971 and Lucknow in 1974 and in the late 1990s at Indore and Calicut. The flagship management education programme, MBA, is widely popular as it offers quick gateway to the riches and to the top echelon of corporate world.

The early 90's saw the boom of founding new management schools, most of them in private sector. In the last three years alone 400 Business Schools came into existence (NMITD). Few Business Schools have also established collaboration with some

* Research Scholar, Mewar University, Assistant Professor, Bharati Vidyapeeth Institute of Management and Research, A-4, Paschim Vihar, New Delhi

** Associate Professor, Bharati Vidyapeeth Institute of Management and Research, A-4, Paschim Vihar, New Delhi

*** Art Director, CBRE, M Block, Jacaranda Marg, DLF City, Phase II, Gurgaon

western Universities. India management institutions produce over 30,000 full-time MBAs and 10,000 part-time MBAs every year. Many business schools are also running MBA equivalent program such as distance Post Graduate Diploma in Management (PGDM), Masters in International business (MIB) etc. Even some of the leading business houses are establishing their own business schools like Infosys, Birla's etc.

Characteristics of Management Institution in context to the Society

Management education gives a holistic picture to the students about how to manage the four 'M's of any organization i.e. money, material, man and machine. Whether the knowledge about management principles is obtained through formal study programs at Universities or internally through on the job training or through external seminars or programs, it is of the utmost importance for any person in any job in life; even for the self-employed, entrepreneurs. However in context of Social work there is less emphasis.

Evade of Social need: Faculties from prominent institutes have not made any impact as compare to the economists. They have also very narrowly defined their focus as private industry and even in this sphere their distinct contributions do not seem to be visible. **The system have not focused on the social needs such as elimination of poverty,** providing efficiently education, family planning, drinking water supply, public utilities, health, solving inter- state water disputes, fighting crime and corruption, handling within and cross border terrorism, the contribution of management education has been almost next to nothing. In a few areas where efforts were made vested interests have blocked the implementation.

Globalization of Institute:- Due to the globalization of the higher education sector, Universities and other institutes are competing with each other to attract high quality students and academic staff in an international level.

Utility of Management Education: As a corollary, one can question the utility of Management Education in the Indian context. The utility of management education in India can be discerned by looking at two variables: (i) demand for management graduates and (ii) "demand for management services of faculty in terms of sponsored research, training and

consultancy. By the first count the management education is doing well till now, but very soon the moment the industry starts looking for content than label, the management schools will have to start the soul search of asking themselves, what on earth have they been dishing out to the hapless students. The students from the management institutes were viewed as 'change agents' who would bring in professionalism in management of the industry; instead most of them have ended up as relentless careerists. On the second point of demand for professional services of faculty, the following broad observations can be made: overall quantum of sponsored management research is very low of the little that is sponsored; the major share comes from Govt. and little from industry.

Here too, in most cases, the sponsorship is not necessarily derived from need but is likely to be some form of spending the budgeted funds or patronage. The findings of the research are seldom used.

University should involve in CSR

Effective CSR aims at "achieving commercial success in ways that honor ethical values and respect people, communities and the natural environment". Consequently, the CSR performance of companies depends essentially on how important social and environmental CSR issues are perceived by companies themselves on the one hand, and by their stakeholders (such as investors, employees, consumers and Civil Society Organizations, etc.) on the other. If companies and stakeholders are unaware of how businesses can contribute to sustainable development by incorporating environmental protection, social responsibility and consumer interests into daily management routines, CSR will remain a phrase (European Commission, 2002). For this reason, raising awareness for CSR among both businesses and their stakeholders is a key task for governments as far as they assume that CSR is a promising complementary approach in achieving societal objectives (Public Policies on CSR awareness raising in the EU-25). **Hence, to imbibe the concept of CSR for better planning and implementation we need have managers of that kind and to have those managers we should teach them in their higher studies.**

Fig No. 1



Baruch and Lemming (1996, p27) suggest that “the aims of MBA programs are to prepare graduates for managerial roles, help them gain a better understanding of the industrial and business world and its needs, enrich their skills and provide them with competencies relevant to their careers”. According to Trevino and Nelson (1999), business school students may need training in ethics and moral reasoning more than most other students. Research conducted by Best (1987) found that students in business schools ranked lower in moral reasoning than students in philosophy, medicine and dentistry.

Crane (2004, p 149) cites a study of top business schools in the United States that found business school education has not only failed to improve the moral character of students.

The students have to be enlightened about the right and wrong ways of using all techniques and interventions. Business ethics have to be ingrained as the central notion in all subjects and theories taught in class, irrespective of the complications of semesters and teaching faculty.

Crane (2004) highlights that in recent years; the ethical content in business school subjects has also been diminishing to the minimum content required by ranking agencies such as the Association to Advance Collegiate Schools of Business and AMBA. He opines that some business ethics educators highlight the marginalization of business ethics in favor of other “hard” business topics such as finance, strategy and marketing, as one of the reasons for the deterioration of ethical conduct in business (Gioia, 2002).

Only a few universities across the world have woken up to this challenge and immense power that they wield. In 2001, Cardiff University won £3.1 million in research funds from the Economic and Social Research Council to develop a Research Centre for Business Relationships, Accountability, Sustainability and Society (BRASS).

KPMG-CSR survey has presented a range of motivating factors and drivers for CSR which are discussed in Table 1

Drivers	Priority in (%)
Economic Considerations	74
Ethical Consideration	53
Innovations and Learning	53
Employee Motivation	47
Risk Management or risk reduction	47
Access to capital or increased shareholder value	39
Reputation or brand	27
Market share improvement	21
Strengthened supplier relations	13
Cost saving	9
Improved relationship with governmental authorities	9
Others	11

Source: Data Taken From – KPMG International. KPMG Surveys of Corporate Responsibility Reporting 2005.

By looking into the data above it seems that only 53% of the employees consider the ethical values as part of CSR. Which means almost half of the managers doesn't consider ethics as an important aspect of running a business.

Therefore, it is a dreadful need for including business ethics in course curriculum and broadening the outlook of students about concepts like Corporate Social Responsibility to increase the capabilities of future professionals to make more responsible decisions.

Dunfee and Robertson (1988, pp. 847-59) support the inclusion of such subjects in business school programs and put forward several reasons why they should be featured:

1. To convince students that ethical issues are an important part of the key business functions of finance, marketing, and management.
2. To provide systematic coverage of a wide range of ethical issues to all students.
3. To imbue all MBA students with a perspective of what ethics mean in business practice.
4. To provide students with a set of analytical tools applicable to ethical problems in all aspects of their business education, as well as their future jobs.

Powers and Vogel (1980) argue that teaching business ethics is not solely about helping managers to resolve a specific moral dilemma, but also to develop competencies or capacities for, moral judgment in business contexts, the ability to integrate broader social issues with the managerial role and to implement

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Research methodology

For analyzing the purpose of the study my research methodology requires collection of relevant data from the particular individual and compiling the databases it. To arrive at a more understanding of the student I have used various tools of research methodology.

Data has been collected from the student in undergraduate and post graduate courses (B-schools) and it consist of surveys and classroom observations. Initially, a survey instrument to measure teacher attitudes and beliefs regarding CSR will be administered to a broad spectrum of participants. Various activities conducted by the B-schools have been studied.

The research instruments were administered over a period of three months and data were collected using self administered questionnaires. Descriptive statistical analysis of the data was done using the Statistical Package for Social Sciences (SPSS); inferential analyses were performed. The respondents classified by gender were 51.6% male and 48.4% female. Six percent (6.3%) of the respondents were age 25 or below. Most of them are between 21 to 24 years old.

Objective of the study

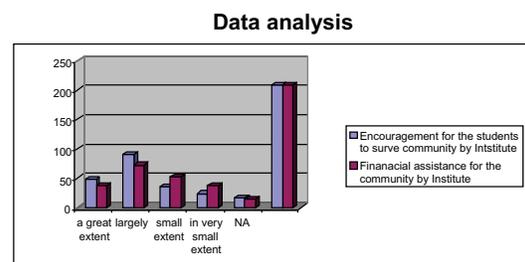
Primary: This paper is been discussing and measuring the efficiency of the activities conducted in context with Social Accountability of the students.

Secondary:- Looking into the attitude formation of students for CSR

Sample

A survey has been conducted in the various institutes of Delhi and NCR where Post graduate students have been asked to fill up the questionnaire. 250 is the sample size. Total usable responses were 210.

Fig no. 2: Support of the institutes and students in serving the community.

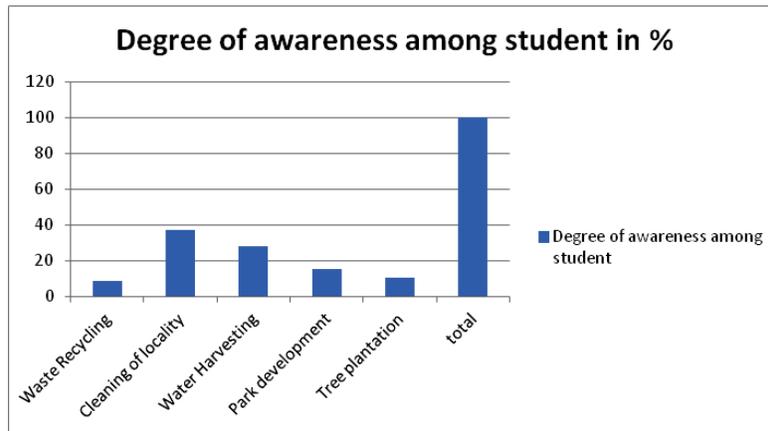


80% of the students were aware of the community services done by the institutes and around 72% are very positive and know that the institutes are encouraging by various activities like blood donation and cloth donation etc.

Table no. 2 : Awareness of the student regarding the indirect environmental protection activity by the institutions.

Variants	Relative Frequency
Yes	55
No	38
Don't Know	117
Total	210

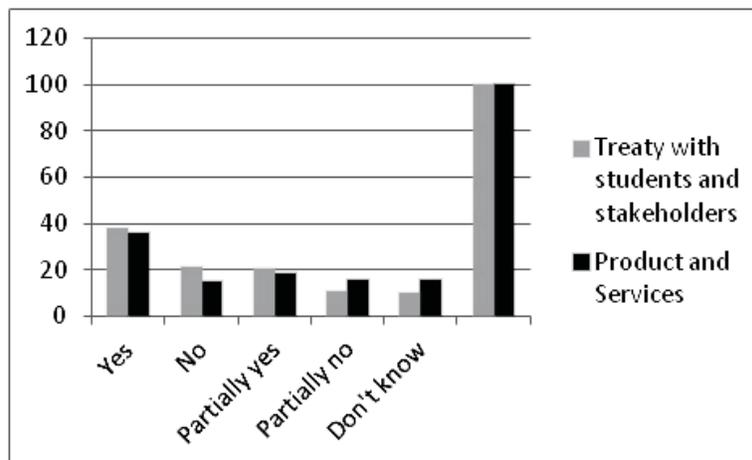
Fig. 3. Degree of awareness among the student for the activities conducted by their respective institutes (as per the opinion questioned).



The fig.3. Shows that there is very less awareness among the student of the activities indirectly conducted by the institute which support environment. This reveals that there is communication

gap or deficiencies in the student about this kind of approach. It is caused due to information is not provided by the institute or the student are not interesting in knowing these kind of implementation.

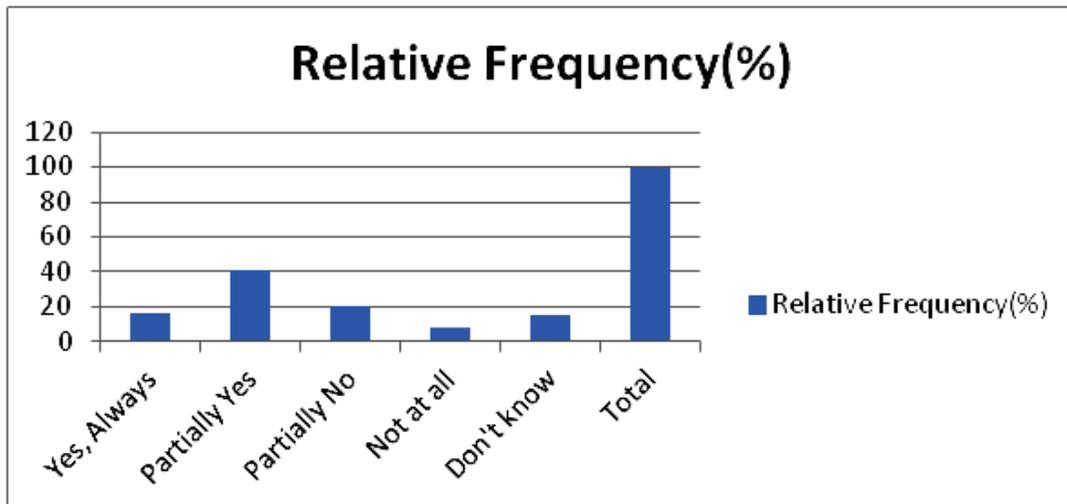
Fig. No. 4: Students' perceptions related to the honesty and quality of procedures of FAB/UB



Degree of awareness about the measures taken by institutes for assuring the honesty and quality of procedures. Most of the respondent (student) remarked that the quality of the studies is guaranteed through the faculty teachers. The treaty are detailed

and most of them been fulfilled. 38% of the students have the opinion that their respective institutes have policy that guarantee the honesty and quality of the advertisement for products and services.

Fig No 5.: Shows how the students complaints are been registered and solved.



Around 16% of the respondent not has any problem in registering and solving complaints made by students, and around 27% of the students are not satisfied with the student faculty relationship.

Way to accomplish CSR efficiency in Universities.

How to optimize society's interest by bringing about a positive communication between government, industry, labour and consumers and thereby identify and promote cooperation to foster the competitive edge for the country. According to our opinion the best way to make the CSR activities more effective and efficient we should take the initiative at the level where we are preparing our future managers. Therefore, the Universities are best place to train the new talents with this concept. We should form team of responsible people and may ask their views in this regard.

There should be integration of the industry and academics for better implementation of CSR activities. Students work as a team to create a program model to recommend for inclusion in the companies' corporate social responsibility portfolio.

University's should focus on healthcare camps and touch the lives of people in poor condition and isolated communities.

CSR orientation visits of the students of the University to non-governmental organizations located in the rural and urban areas should be organized. These visits are useful in sensitizing students to the work and activities of the social and voluntary sector and they will get an opportunity to interact with professionals

With regard to the macro view of the environment such as that of a university the CSR principles are dependent on the following set of factors:

- CSR should begin with the poorest of the poor in the community at the ground level where there is a great need for professional and concerted interventions.
- Responsiveness and involvement of the community is extremely necessary.
- Accountability of the community members in maintaining and continuing the interventions initiated by the academic agency is equally essential.

- Industry partners play a vital role in achieving the community efforts.
- Collaborative partners help in mobilizing financial and other resources for the planned and organized CSR initiatives.
- Students and research associates in the university become the change initiators.
- CSR is an ongoing process requiring frequent and continuous monitoring of the community.
- It requires acceptability of change by the community and the university both.

The membership in this regard is unlimited and very broad in scope comprising of people who are directly or indirectly associated towards the welfare of community and environment. These members can be the management, teachers, industry partners, vendors, liaison officers, government officials, visiting and distinctive personalities associated in the advisory boards and so on.

Corporate Social Responsibility (CSR) is also an approach that takes into account the social impact an organization like University, has on the community both local and global. CSR is a fertile ground for innovation, creativity and challenges old ideas and working practices by allowing a voice for all stakeholders. Universities are a kind mirror, for seeing the reflections and gaining these experience from the special side of students (Hopkins 2004).

CONCLUSION

We have realized the importance of CSR and it certainly becomes an area of great concern. Although industrialist have shown their concern in this regard and made efforts for this however, it has not been so much in consideration like other domains of the work. We should start it from the base of Management education where students in collaboration with industrialist/managers take up initiative for the betterment of community. Presently, the cost cutting experiments of the industry with the advent of liberalization has been limited to threatening the workers with wage or job cuts, while the managers themselves have not reduced their salaries or perquisites. It is here, the German and Japanese models may have some lessons for us. In learning that lesson, we must of course pose another question, viz., is management culture-free or influenced by culture and context?

Universities are the most important areas of imparting

education, still in light of modernization the basic objective of providing education must not suffer. Educational systems must not become commercial organizations stressing upon only growth in number of students and span of control. It should be the responsibility of the academicians as well to do contribute a bit towards the welfare of the society by making the world a little healthier. As we earn from the society therefore, it is our duty to give it back and CSR is a mode where by business units, governments and individual can return a part of their earning. CSR should not be viewed as an additional or extra duty but it should be treated as core of every business ethics.

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