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Corporate Social Responsibility: An Initiative in the Indian Information Technology Sector (A Case Study on Tech Mahindra Foundation)

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Abstract:

Corporate Social Responsibility has become a buzz word in the current Globalized and Civilized world. In the day-to-day growing competition, in order to attract people and raise their Goodwill, a shift towards social responsibility has become inevitable. To achieve Social responsibility, the organizations are trying to have an edge between business and society. The purpose of CSR activity is a kind of consistent commitment with the principles of participative management towards not only needy people but also to the society and everybody's welfare, proceeding to achieve philanthropic aims and objectives. Hence it is an unending obligation of individuals, Government and business community etc to act morally, legally and ethically as their contribution towards the society. It aims at the holistic development of an organization covering the societal aspects by focusing on enhancing the quality of life and to raise the standards of living of workers, employees and the individuals of the local community and society at large. Alternatively it can be said as the social consciousness of organizations to change the world from inside out.

The present Research deals with the CSR initiatives and practices of Tech Mahindra Foundation. It also focuses on the methods and a strategy employed in association with partners such as Government agencies, educational institutions, corporate and trusts. The role it is playing in developing and helping the families of Below Poverty Line, Disable persons, group of individuals and society.

Keywords: Corporate Social Responsibility, CSR in India, CSR initiatives, CSR Ethics, Societal aspects

1. Objective/Purpose

The purpose of this study is to understand the evolution of CSR and concept of CSR (Corporate Social Responsibility) – CSR Initiatives/ Programmes undertaken by Tech Mahindra Foundation Vision “Empowerment through Education” - CSR Wing of Tech Mahindra (Information Technology) Limited part of Mahindra Group.

2. Scope of the Study

The present study does not include any field work as it is basically to find out the initiatives taken by the Tech Mahindra Foundation to fulfill its Corporate Social Responsibility. Since there was no field work involved statistical tools were not used.

3. Sources of Information for the Present Study

The present study is carried out by obtaining information from the websites of the Tech Mahindra Foundation & Tech Mahindra Limited where all the information regarding its CSR activities and financial information is provided.

4. Introduction

Corporate Social Responsibility has become a buzz word in the current Globalized and Civilized world. In the day-to-day growing competition in order to attract people and raise their Goodwill, a shift towards social responsibility has become inevitable. To achieve Social responsibility, the organizations are trying to have an edge between business and society. The purpose of CSR activity is a kind of consistent commitment with the principles of participative management towards not only needy people but also to the society and everybody's welfare, proceeding to achieve philanthropic aims and objectives. Hence it is an unending obligation of individuals, Government and business community etc to act morally, legally and ethically as their contribution towards the society. It aims at the holistic development of an organization covering the societal aspects by focusing on enhancing the quality of life and to raise the

standards of living of workers, employees and the individuals of the local community and society at large. Alternatively it can be said as the social consciousness of organizations to change the world from inside out.

5. Evolution of CSR

In early 1950's & 60's the literature was not heavily represented in CSR discourse. However, this decade 'marked a significant growth in attempts to formalize, or more accurately, state what CSR means'. The term CSR changed its term from the year 1953 to now as follows:

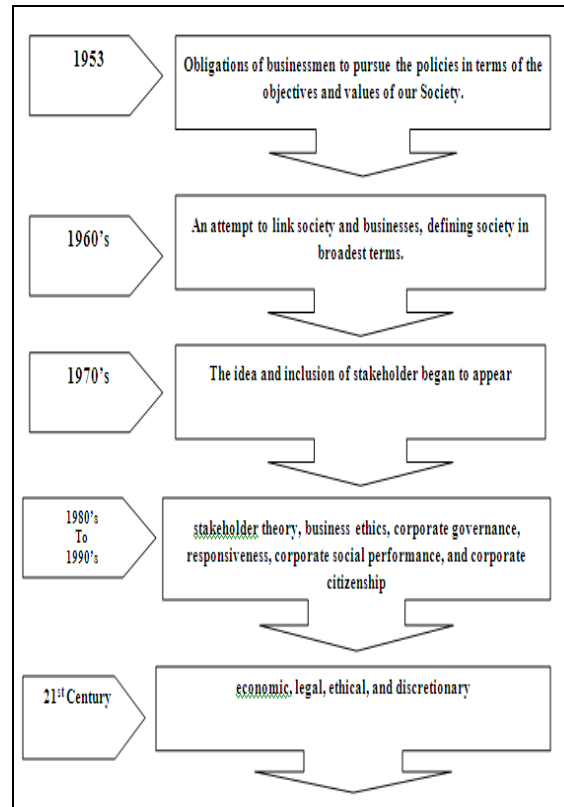


Figure 1: Corporate Social Responsibility – Changes in its structure

1953 – Obligations of businessmen to pursue the policies in terms of the objectives and values of our Society.

1960's - an attempt to link society and businesses, defining society in broadest terms.

1970's - The idea and inclusion of stakeholder began to appear.

1980 & 1990's - New concepts which were closely related to CSR were introduced; stakeholder theory, business ethics, corporate governance, responsiveness, corporate social performance, and corporate citizenship. These concepts are closely related but not identical.

21st Century -The social responsibility of business encompasses the economic, legal, ethical, and discretionary (or philanthropic) expectations that society has of organizations at a given point in time.

- William Frederick has written extensively on the subject for decades. With books and many academic journal articles having been published by Frederick about CSR, he openly states that an accepted definition does not exist by stating "the actual meaning of CSR has dogged the debate from the beginning." He adds, "The moral underpinnings of CSR are neither clear nor agreed upon (Frederick, 2006)."

The failure to have a universal definition has been reviewed and debated by scholars. Perhaps the most compelling and comprehensive research regarding the lack of a definition for CSR analyzed 37 of the most commonly used definitions. The definitions were identified through a literature review of journal articles and web sites, content analysis of five dimensions of CSR and the use of Google to calculate the relative usage of each dimension. The analysis concluded that although there are many similarities between the 37 definitions, the definitions do not provide guidance on how the dimensions should be balanced against one another for decision-making (Dahlsrud, 2006). As a result, the dilemma facing businesses is less about what definition to follow, but finding a definition that can be universally applied.

The International Standards Organization (ISO) has created an international standard for the social responsibility of private (corporate) and public sector organizations. ISO 26000 establishes seven core subjects of social responsibility, all of which are parts of most current CSR definitions:

- Organizational governance
- Community involvement and development
- Human rights
- Labor practices
- The environment
- Fair operating practices
- Consumer issues

According to Bowen, in 1953 “CSR refers to the obligations of businessmen to pursue those policies to make those decisions or to follow those lines of relations which are desirable in terms of the objectives and values of our society.”

Due to Bowen’s concern with social responsibility and his leadership role in the topic, Bowen should be seen as father of CSR.

6. CSR in India

In India, the concept of CSR is governed by clause 135 of the Companies Act, 2013, which was passed by both Houses of the Parliament, and had received the assent of the President of India on 29 August 2013. The CSR provisions within the Act is applicable to companies with an annual turnover of 1,000 crore INR and more, or a net worth of 500 crore INR and more, or a net profit of five crore INR and more. The new rules, which will be applicable from the fiscal year 2014-15 onwards, also require companies to set-up a CSR committee consisting of their board members, including at least one independent director. The Act encourages companies to spend at least 2% of their average net profit in the previous three years on CSR activities. The Act lists out a set of activities eligible under CSR. Companies may implement these activities taking into account the local conditions after seeking board approval. The indicative activities which can be undertaken by a company under CSR have been specified under Schedule VII of the Act, which are as follows.

- Promotion of education
- Gender equity and women empowerment
- Eradication of extreme hunger and poverty
- Reducing child mortality and improving maternal health
- Combating HIV-AIDS, malaria and other diseases
- Environmental sustainability
- Employment enhancing vocational skills
- Contribution to Prime Minister’s relief fund and other such state and central funds

However, Corporate Social Responsibility is not a new concept to Indian business community/corporate which has long history in participating society needs or development in the form of social charity or voluntary donations to eliminate/overcome societal aspects. It underwent through different ages by changing its nature in broader aspect, which is now generally known as CSR. In this process, many leading corporate in India are involved in corporate social responsibility (CSR) programmes in areas like education, health, livelihood creation, skill development, and empowerment of weaker sections of the society. Notable efforts have come from the Tata Group, Infosys, Reliance, Bharti Enterprises, Hindalco, ITC Welcome group, Indian Oil Corporation, NTPC, HPCL, Ambuja cements, Grasim Industries Ltd, Asian Paints, Ballarpur Industries Ltd and Mahindra Group. Many of them has received CSR Awards from Asian Forum on CSR .

6.1. Asian Forum on Corporate Social Responsibility

This forum helps Corporations, non-government and international organizations to showcase their CSR initiatives in the Asian CSR Expo, the region’s most exciting and comprehensive exhibition on CSR. The Expo offers the perfect platform for companies to exhibit their CSR projects in the following categories to win awards in the presence of hundreds of delegates and targeted visitors.

- Environmental Excellence
- Best Workplace Practices
- Support to Community Issues
- Small Company CSR
- Poverty Alleviation
- Education
- Supply Chain Responsibility
- NGOs
- Universities
- Software and IT applications
- Telecommunications
- Management and business solutions
- Office automation products and services
- Travel and leisure
- Consultancy Services

Since 2003, the Asian CSR Awards have annually honored India's outstanding CSR projects and companies on the below categories:

Year	CATEGORIES	Winner/ Merit Awardee	Awardees	Name of Project	Country
2003	Support & Improvement of Education	Winner	Tata Consultancy Services	Adult Literacy Program	India
	Poverty Alleviation	Winner	Hindalco Industries	Integrated Rural Poverty Alleviation Program	India
2004	Best Workplace Practices	Winner	Hindustan Petroleum Corporation Ltd	Employee Friendly Project	India
	Poverty Alleviation	Winner	Gujarat Ambuja Cement, Ltd.	Integrated Rural Development Program	India
	Support & Improvement of Education	Merit Awardee	The Jammu & Kashmir Bank Ltd.	Education for All	India
	Small Company CSR	Winner	Sunlet Systems P Ltd.	Sunlet's CSR Program	India
2005	Support & Improvement of Education	Merit Awardee	Grasim Industries Limited, Birlagram Nagda,	Education and Empowerment	India
	Environmental Excellence	Winner	Gujarat Ambuja Cement, Ltd.	Corporate Sustainable Development at Gujarat Ambuja Cements Ltd., (India) Works	India
2006	Poverty Alleviation	Merit Awardee	Ballarpur Industries, Ltd.	Empowering Communities through Micro Entrepreneurship	India
2007	Best Workplace Practices	Winner	Hindustan Petroleum Corporation Limited	Career Development of workmen at Visakh Refinery (VR)	India
	Concern for Health	Winner	Unilever Asia AMET	Pan-Asian Lifebuoy hand wash program (Bangladesh, India, Indonesia, Pakistan, Vietnam)	Bangladesh, India, Indonesia, Pakistan, Vietnam
		Merit Awardee	Ambuja Cements Ltd	Attaining Millennium Goals: Ambuja's Concern for Health	India
		Merit Awardee	Asian Paints Limited	Asian Paints Total Water Management Centre	India
		Merit Awardee	ITC Limited	ITC's Integrated Watershed Development Programme	India
	Poverty Alleviation	Winner	Satyam Computer Services Limited	GramIT – Services from the Bottom of the Pyramid	India
		Merit Awardee	Unilever South Asia	Unilever and Women Empowerment (Project Shakti	Bangladesh, India and Sri Lanka
	Intel-AIM Corporate Responsibility Award	Winner	Ballarpur Industries, Ltd.		India
	Environmental Excellence	Winner	Bharat Petroleum Corp. Ltd.	BOOND	India
	Poverty Alleviation	Merit Awardee	Hindustan Zinc Ltd	Zinc Integrated Poverty Alleviation Programme,	India

	CATEGORIES	Winner/ Merit Awardee	Awardees	Name of Project	Country
	Support & Improvement of Education	Winner	Bharti Foundation	Satya Bharti School Program	India
	Intel-AIM Corporate Responsibility Award	Winner	Shakarganj Mills Ltd.		India
		Excellence Awardee	NTPC Ltd		India
	Banyan Tree Value Challenge	Winner	Tulir Centre for Prevention		India
		Excellence Awardee	Center for Health, Education, Training and Nutritional Awareness (CHETNA).		India
2009	Concern for Health	Winner	Grasim Industries Limited	Public Private Partnership for Physical, Mental, and Social Well-Being	India
	Support & Improvement of Education	Excellence Awardee	Vestas Wind Technology India Pvt Ltd.	Project little dreams - a holistic approach to education	India
	Concern for Health	Winner	UltraTech Cement Limited (Unit: Vikram Cement Works)	Public Private Partnership for Physical, Mental and Social Well-Being through comprehensive Health Care Interventions among Rural Community	India
2012	Governance and Society	Winner	ITC Limited		India
2013	Governance and Society	Winner	Ultratech Cement Limited		India

Table 1

Source: www.asianforumcsr.com/awards/awardees

7. Tech Mahindra Foundation (TMF) – Mahindra Group

TMF was established in its present form in 2007 by Tech Mahindra as one of the major manifestations of its Corporate Social Responsibility. With the contribution from Tech Mahindra, TMF now has a corpus of ` 55 Crore as on 31st March 2013. It has disbursed approximately ` 43 Crores to more than 70 NGOs over 5 years and impacts more than

50,000 beneficiaries per year through NGO partners across Delhi- Noida, Mumbai, Pune and Bangalore. Tech Mahindra is committed to play its role as an enlightened corporate citizen and continues to earmark 1.5% of its Profit after Tax (PAT) every year for CSR activities. CSR activities are mainly carried through Tech Mahindra Foundation.

TMF seeks to achieve its objectives by working in partnership with outstanding community based NGOs which share its goals and values and have demonstrated competence, dedication and integrity. Tech Mahindra Foundation believes that educated, skilled and able men and women are a country's true strength and they want to enhance their skills through its CSR Initiatives in the areas of Education, Vocational Training, Disability and Corporate Volunteering through following flagship programmes.



Figure 2: Education

7.1. Empowering through Education

Education is the key to empowering the urban poor and helping them cross over the poverty line. To this end:

- TMF supports and strengthens vulnerable communities through vibrant, innovative partnerships with the government, Non-Government Organizations (NGOs), Community Based Organizations (CBOs) and others.
- TMF creates infrastructure that reinforces and strengthens existing systems and processes.
- TMF ensures quality in education through innovative practices such as:
 - Adopting schools and developing innovative pedagogic practices for improvement
 - Supporting the child to retain her in mainstream education to reduce the cumulative burden of illiteracy
 - Enhancing classroom based support and building capacities of stakeholders
 - Facilitating cross sharing of experiences and resources
 - Creating an enabling environment that encourages children to come to school
 - Reducing dropouts by providing knowledge systems that facilitate better learning

The Tech Mahindra Foundation (TMF) also runs a flagship program to honor outstanding teachers from Municipal Corporation Primary schools of Delhi. The Shikshak Samman award was instituted in 2008. Since then, more than 100 outstanding MCP teachers have received the award.



Figure 3: Vocational Training

7.2. Enhancing employability; generating employment

Tech Mahindra Foundation, along with NGO partners supports vocational training initiatives. We call that SMART (Skill-for-Market Training), which has helped thousands of young men and women find employment in areas such as Information Technology (IT), Hospitality, Business Process Outsourcing (BPO), Retail, Interior Design and more.

All these programs work towards improving the candidate's English, communication skills, self-confidence and job-readiness and thereby improving employability skills, and enabling them to connect with potential employers.

SMART centres were first started in October, 2012 with 3 centres with the beneficiaries of 300 students, which have gradually increased to 50 centres by 2014 with the beneficiaries of 12,350 students approximately. Out of them 80% the SMART graduates have been placed in organizations like Big Bazaar, Auchan India, Regal Enterprises, Modi-Care, Planet Sports, Dominos, Aegis etc. with average salary of Rs. 8000 INR. TMF is planning to establish 100 SMART Centres by 2016-17 and to serve 23,500 students approximately. In total, 10% are SMART+ exclusively for disabled or differently abled persons.



Figure 4: Disability

7.3. Empowering the disabled

With its motto of 'ability in disability', TMF has been supporting individuals and organizations that harness the potential of the disabled, with a special focus on the visually impaired. TMF work to facilitate integrated development and inclusion of the disabled into the mainstream. Some notable interventions supported by the foundation are:

- Early interventions to identify disability
- Physiotherapy, speech therapy and vision therapy for children with multiple disability
- Training for care givers
- Printing of Braille books and development of digital books
- Information and problem solving
- Job fairs for placing people with disability
- Employability Skills Training for the disabled
- Supporting websites for the visually disabled
- Research and development for new technologies to help people with visual disability
- Educational support with holistic approach and counseling for the disabled

Vision for India (VFI) is a flagship program of TMF and an online, national advocacy forum that brings together visually disabled, and organizations working for them, for mutual sharing of experience and expertise.



Figure 5: Volunteering

7.4. Driving positive change

Volunteering is an integral part of the Tech Mahindra corporate philosophy. TMF associates have been involved in teaching young children in municipal schools, mentoring teenagers preparing for competitive exams, organizing blood donation drives, participating in sport meets, sponsoring exhibitions, sales, summer camps and marathons, celebrating special days with beneficiaries of partner organizations, etc. The team supports volunteering amongst all stakeholders, customers and professional associates.



Figure 6

On 26th of Feb 2013, Tech Mahindra Foundation (TMF) invited a group of bright and talented youth pursuing their studies from prestigious institutions in Pune, to Tech M's Pune office for an interaction.

These young students were children of rag-pickers who earn their daily bread through collecting waste. Their mothers are members of KKP (Kagad Kach Patra Kashtakari Panchayat) a union that works for the women in the unorganized sector.

While the parents were uneducated, they made sure that their children got an education and the children were studying for their degrees and diplomas in Computer Engineering, Commerce, BCA, Animation course, DCE, Arts etc. supported by Tech Mahindra Foundation.

Some of these young people are looking forward to make their career in IT and were keen to understand the culture and nature of work at Tech M. Tech Mahindra teams met and interacted with them.

8. Findings

- Catering to the largely-marginalized sections of the Muslim community, students of the Anglo Arabic School enjoys the nurturance and support of Tech Mahindra Foundation. There is hope for better days to come with sports, photography, film-making, art, painting, theatre and mass communication becoming a part of the students' everyday life.
- All the training provided by Deaf Enabled Foundation (DEF) is bilingual; teach in English and sign language simultaneously. Deaf people have talent and they can work as anybody can. But they need opportunity, exposure and training. The employer needs to understand the deaf person's communication and create a good environment for them to give their output. Tech Mahindra Foundation have come forward to become a partner of DEF and support them in their work to uplift the deaf people.
- TMF is encouraging the projects to experience miracles on sight-impaired clients though LV Prasad Eye Institute, Hyderabad with the belief that when we do the best we can, we never know what miracle is wrought in our life, or in the life of another.
- TMF is supportive to hard-working and dedicated economically backward students by giving training in basic IT skills and communication skills and assisting them in getting placed in reputed organizations through Sriven Corporation, Hyderabad.
- TMF and Sneha believe every girl has the ability to manifest her highest potential, thereby helping her to improve the quality of her life and become happy. With constant trust and support of Tech Mahindra Foundation, SNEHA has been able to impact the lives of a little over 300 girls. These girls have graduated and have taken up jobs in various hospitals earning between Rs 5,000 and 10,000.
- TMF and Jeevodaya, Bangalore came in and joined hands to educate and provide quality education for 200 children of quarries, slums and villages. Quality education, self- dignity, joy and happiness of childhood.



Figure 7: Internships at TMF

The Internship Programme of Tech Mahindra Foundation is designed for university students and young professionals in the voluntary sector. Through meticulously-structured internships that last anywhere between 6 to 12 weeks, the interns are engaged in concrete, deliverable-oriented activities that not just expose them to the nitty-gritties of the sector, but also often give them an opportunity to work in a large organisational set-up for the first time.

Internships are provided in programme operations in education, vocational training and disability; media and communication; research; administration, finance and accounts; and office management. The interns can also get involved at one of their projects and get first-hand experience of their work with partners.

9. Major Achievements of TMF

Since 2007, TMF has worked with more than 100 partners across India, and reached out to the underprivileged through programmes in education, vocational training and disability.

This year, they are working on 100+ projects with around 75 partners in 8 locations with a total budget of above 160 Million; these are Bangalore, Bhubaneswar, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai and Pune.

The work also includes direct implementation programmes that we completely establish, own and manage. Some of the new flagship programmes in Delhi-NCR this year include:

- A new 5-year programme with East Delhi Municipal Corporation, where they would set up and run a high quality education institute for in-service teachers of MCD, and come up with a model lab school - in Dilshad Garden, New Delhi;
- A new long-term programme with Kasturba Balika Vidyalaya (a government-aided girls school in Friends Colony, New Delhi), where they are first going to transform the existing school infrastructure, and then introduce a variety of school improvement initiatives. They would also eventually build up a primary school, which would be called the Tech Mahindra Primary School in future;
- School Excellence Award (new) to identify, honour and develop the best municipal corporation primary schools from each of the three MCDs in Delhi;
- Shikshak Samman Award (in its 5th year in Delhi now) to identify, honour and develop 25 best primary teachers from the 1799 municipal primary schools under MCDs; also introducing the same in partnership with MCGM in Mumbai;

- Three whole-school adoption programmes in PPP mode with Aseema Trust and Akanksha Foundation in Mumbai. TMF encourage associates across Tech Mahindra to engage with TMF and volunteer in programmes, something that has always given the young corporate employees to get a feel of the other side of the world. Towards this, TMF makes them a part of some of the programmes – whether it is a short-term event based engagement, or a long-term continuing association. TMF think that these programmes have the potential to not just engage the associates in a variety of activities – which would use a range of their skills from painting to graffiti-making, gardening to pottery decoration, singing-dancing and other performing arts to various professional mentoring abilities – but also contribute to long-term, sustained volunteering at Tech Mahindra. This would eventually lead them to achieve the target of ‘at least 10% associates volunteering 10% of their free time in CSR work’.

10. Sustainability

As a part of a responsible business group having a global presence, Company has taken considerable steps not only in creating “Green” strategies but also making environmental stewardship, a core part of our business strategy that takes accountability for every dimension of social, cultural, economic and environmental governance, creating sustainable value for all its stakeholders. Company has been participating in the Sustainability Reporting of the Mahindra Group since Financial Year 2007-08. During the year under review the 5th Sustainability Report for the year 2011-12 was released. All these reports were in accordance with the latest guidelines of the internationally accepted, Global Reporting Initiative (GRI).

This report was assured by KPMG and conforms to the highest level for reporting Sustainability’ performance, which is A+.

The report and the performance rating of A+ was checked and confirmed by GRI*. The detailed Group Sustainability Reports are available on the website <http://www.mahindra.com/How-We-Help/Environment/Sustainability-Reports> In order to take a structured path for reducing its carbon footprint, Company has a 5 Year Sustainability Road map. They are consciously reducing GHG emissions and waste, as well as conserve water, bio-diversity and natural resources. In the Financial Year 12-13 concerted efforts were made to ensure targets are met over committed time lines in the following thrust area:

- Save Power Initiative among the employees to reduce power wastage.
- “No paper day”- To reduce wasteful paper use on one day every month.
- Tree Plantation drive among the employees on regular basis.
- Eco-friendly e-waste disposal systems.
- Occupancy sensors to reduce the electricity consumption.

*GRI is a Netherlands based multi-stakeholder network of experts worldwide, which has pioneered the development of the world’s most widely used sustainability reporting framework. United Nations is one of its key stakeholders. This reporting framework sets out the principles and indicators that organizations can use to measure and report their economic, environmental and social performance.

11. Conclusion

The Present Study was done to explore the CSR initiatives taken by Tech Mahindra Foundation of Mahindra Group. It was found that TMF is actively participating in community services to empower the urban poor and helping them cross over the poverty line, supports vocational training initiatives through SMART (Skill-for-Market Training), which has helped thousands of young men and women find employment in areas such as Information Technology (IT), Hospitality, Business Process Outsourcing (BPO), Retail, Interior Design and more. TMF has been supporting individuals and organizations that harness the potential of the disabled, with a special focus on the visually impaired. TMF work to facilitate integrated development and inclusion of the disabled into the mainstream.

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