

## **CORPORATE SOCIAL RESPONSIBILITY AND INVOLVEMENT OF YOUTH**

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### **Abstract**

Corporate social responsibility is perhaps one of the most dynamic, complex, and challenging issues in modern day business management. Modern business managers are constantly exposed to the dilemma of matching contributions to the development of the environment within which they live in to operate from, and meeting the requirements of the small but powerful group, the shareholders. No doubt, there is an enormous flow of capital, goods and services across borders. This trend had placed businesses as global institutions or potential global institutions. The primary stakeholders in a typical corporation are its investors, employees, customers, and suppliers. It is the stakeholders who legitimate the field of CSR, for whom without, there would be no judge of the responsibility that the corporation is taking. Some use CSR as a way to rebrand a tarnished image or just keep their good image to the public. In fact, some multi-national companies are so massive that they have overtaken many nation-states as entities with the power and resources necessary to positively impact positive change within their areas of operation. One of the major expectations of governments on corporations in terms of CSR is that those corporations care for the environment that is affected by their work. Coincidentally, this is also the expectation of multi-national corporations (MNCs) on the government. Another form of CSR is community development. MNCs build infrastructure in developing countries that help themselves as much as they help the communities. The new generation of millennials is emerging with the predominant mindset that the main purpose of business is to improve our society rather than earn profits for the shareholders.

**Key Words CSR, Shareholder, legitimate, new generation, Community Development**

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## **Introduction**

### **Defining Corporate Social Responsibility**

Social responsibility is the concern businesses have for the welfare of the society they live in and work with. According to Williams (2007), corporate social responsibility is a “business’s obligation to pursue policies, make decisions, and take actions that benefit society”. The intelligent and objective concern for the welfare of society that restrains individual and corporate behavior from ultimately destructive activities, no matter how immediately profitable, and leads in the direction of positive contributions to human betterment, variously as the latter may be defined (Kenneth R. Andrews, quoted in Hartman, 1998, p. 243). In summary, CSR entails the obligation stemming from the implicit "social contract" between business and society for firms to be responsive to society's long-run needs and wants, optimizing the positive effects and minimizing the negative effects of its actions on society.

### **Differentiate or die**

CSR is a powerful differentiator, influencing both consumer behavior and corporate reputation. The business case for CSR is extremely compelling, particularly as companies battle ever-increasing competition and declining consumer confidence. An engaged motivated workforce is one of the most important success factors for business. There is a growing body of evidence demonstrating the power and benefits of engaging employees in CSR initiatives and the ability to give back to the community and support causes at work. Global consumers believe it is important for companies to tell them about their efforts to address societal issues. The opportunity to demonstrate differentiation and gain measurable impact is to communicate this on the label at the point of purchase. Having a job that makes a social impact on the world is an important life goal for an increasing number of people. An engaged motivated workforce is one of the most important success factors for business. There is a growing body of evidence demonstrating the power and benefits of engaging employees in CSR initiatives and the ability to give back to the community and support causes at work.

## **Corporate social responsibility (CSR)**

### **Society's rising expectations for business**

The notion that business has duties to society is firmly entrenched, although in the past several decades there has been a revolution in the way people view the relationship between business and society. Carroll (1979) proposed a popular four-part definition of CSR, suggesting that corporations have four responsibilities or “four faces” (Carroll, 2000, p. p. 187) to fulfill to be good corporate citizens: economic, legal, ethical, and philanthropic (“altruistic” or “humanitarian” CSR). Who does CSR benefit the most? One can argue that it is mutually beneficial between the company and the stakeholders. The definition of a stakeholder is “a party that has an interest in an enterprise or project. The primary stakeholders in a typical corporation are its investors, employees, customers, and suppliers. However, modern theory goes beyond this conventional notion to embrace additional stakeholders such as the community, government, and trade associations”. Companies may pursue CSR policies that contribute to development, because in the end it can generate more profit for them, help them to enter markets that they would otherwise have trouble entering, and give them a competitive edge. It is the stakeholders who legitimize the field of CSR, for whom without, there would be no judge of the responsibility that the corporation is taking.

### **Economic responsibilities**

Endeavoring to beat one's rivals, and toiling to produce better work to earn the next promotion, if done ethically, will result in high personal development and therefore excellent use of one's time and talents and the firm's treasury (Johnson, 1990). The manager's role is to act as a fiduciary or trustee to a principal, the owners or shareholders, being their steward in effectively and efficiently managing the organization's assets. By encouraging the pursuit of gain and efficiency, works to create greater wealth than any other economic system, and maximizes liberty by allowing individuals freedom of choice in employment, purchases, and investments, thereby benefiting the common good. One of the major expectations of governments on corporations in terms of CSR is that those corporations care for the environment that is affected by their work.

### **Ethical responsibilities**

Being moral , doing what is right, just, and fair; respecting peoples'' moral rights; and avoiding harm or social injury as well as preventing harm caused by others (Smith and Quelch, 1993). Ethical responsibilities those policies, institutions, decisions, or practices that are either expected (positive duties) or prohibited (negative duties) by members of society, although they are not necessarily codified into law (Carroll, 2001). Prior to the 1960s, business ethics was not a major concern of businesspeople. Rather, it was left to theologians to discuss issues of fair wages, unfair labor practices, and the morality of capitalism. The Protestant work ethic taught people to work hard and be successful this was the essence of business' social responsibility.

Since the 1970s, society's expectations of business ethics have been climbing. Unlike yesteryear, productivity alone is no longer considered sufficient to morally justify a business organization. Also important is how wealth generation affects non-economic aspects of society, such as the welfare of employees, customers, and other members of the business system, as well as other outside groups and the natural environment. According to social contract thinking, the enterprise's responsibilities should be commensurate with its economic, social, and political power (Bowie, 1983; Davis, 1983; Lippke, 1996). Some even say that, because of its size and special legal status, the modern corporation should be considered as a public institution, a creature of the state, rather than a private organization, so that it can be held to a higher legal and moral accountability than the traditional business enterprise. In any case, social responsibility proponents argue that corporations must be held to higher standards of social responsibility than mere individuals (Miller and Ahrens, 1993).

### **Troubling Youth Situation**

The concept of corporate social responsibility is now firmly rooted on the global business agenda. But in order to move from theory to concrete action, many obstacles need to be overcome. A key challenge facing business is the need for more reliable indicators of progress in the field of CSR, along with the dissemination of CSR strategies. Transparency and dialogue can help to make a business appear more trustworthy, and push up the standards of other organizations at the same time. Some of the positive outcomes that can arise when businesses adopt a policy of social responsibility. There are no clear cut statutory guidelines or policy

directives to give a definitive direction to CSR initiatives to youth. This lack of consensus often results in duplication of activities by corporate houses in areas of their intervention. The Shrinking Role of Government In the past, governments have relied on legislation and regulation to deliver social and environmental objectives in the business sector. There is a real opportunity for businesses to come together and take a leadership stance to address the key issues facing young people today. Businesses need to decide whether they want to be an initiator, integrator or innovator. Shrinking government resources, coupled with a distrust of regulations, has led to the exploration of voluntary and non-regulatory initiatives instead.

There is a lack of interest of the local Community in participating and contributing to CSR activities of companies. This is largely attributable to the fact that there exists little or no knowledge about CSR within the local communities as no serious efforts have been made to spread awareness about CSR and instill confidence in the local communities about such initiatives.

### **Youth and Social Responsibility**

Social responsibility is a balancing act: business must balance economic performance, ethical performance, and social performance, and the balance must be achieved among various stakeholders. This suggests a dual bottom line with economic criteria and noneconomic criteria. In fact, many companies have multiple objectives. To each generation of adults, the phrase “youth” evokes powerful and contradictory images. But we are just as likely to see soccer players, software entrepreneurs, environmental activists, hip-hop artists, Scouts, and workers in the family business. Whether good or bad, the prevailing images or stereotypes of young people often say as much about the communities in which youths are coming of age as about the young people themselves. Adult society all too frequently overlooks young people, except when they get into trouble. Young people want what everyone else wants: affiliation, community, solidarity, respect, success, and opportunity. Whether those needs are provided by gangs or conversely by schools, houses of worship, and sports leagues is up to us as a society. And the choice we make has short and long-term ramifications. The nature of the social capital available to young people influences how well they learn, the odds that they will attend college, whether they commit crimes, and the likelihood that they will do drugs or commit suicide. In a nation that prides itself

on constant reinvention, young people represent the promise of a stronger India, and their well-being is a leading indicator of the long-term health of our communities. As our young people go, so goes our nation. (Kirk Johnson, 1999)

Because young people embody our hopes and carry out our dreams, they and the organizations of which they are a part must be at the center of efforts to rebuild social capital. Young people have a role as targets of community-building work and as active leaders and participants in it. Just as we don't expect adult proficiency in any field without years of practice, we cannot expect young people to create a better community without first having learned the skills and habits of the heart necessary to civic engagement. Sadly, however, children and teenagers are too rarely included in civic life, either in decision-making or contributing roles. Increasingly, for many organisations, CSR is an integral part of the way they operate and a key element in productivity and competitiveness, particularly through managing their impact on society and engaging stakeholders. Many business leaders wish to have a beneficial impact on the societies in which they operate, and offer some accountability to their stakeholders. CSR takes place at the level of the individual company, which has to take decisions on priorities, purpose and values, strategy and engagement with its stakeholders.

### **Role of Schools, Youth Organizations, and Families in Building Social Capital**

It is in these three categories of places that young people meet and associate with the most important people in their lives: parents, siblings, friends, coaches, teachers, and mentors. And it is in these places that young people learn what is expected of them and what to expect from others, especially adults. In short, it is in these places that young people learn powerful lessons, both good and bad, about the role of the individual in society. These three communities all create and depend on social capital and depend upon it. A school, for example, teaches about public affairs and provides a springboard for volunteering in the community; at the same time, how well the school performs these educational and civic functions depends crucially on the involvement and cooperation of parents and community organizations.

### **Schools and Social Capital.**

Schools encourage civic engagement in myriad ways. First, and most obviously, schools teach the basic skills necessary to participate in civic life: reading, writing, public speaking, teamwork, and project organizing. Research going back more than a half-century has consistently found a strong, direct relationship between education and civic participation. A higher level of education, more than income or any other characteristic, affects the likelihood of participating in civic affairs. More education equals more participation. Second, schools are where students learn how American democracy works. In the classroom, children learn about the people and structures that make up our federal system of government and about the various ways such as voting that citizens are expected to contribute and exercise influence. Third, children participate in a peer culture at school that profoundly shapes their values and relationships. Fourth, schools sponsor programs that provide hands-on training in civic participation. School-based service-learning programs provide students with a role in improving the wider community while frequently asking them to reflect on their experience. (Kristin A. Goss, 1999)

### **Extracurricular Activities and Social Capital**

Young people's social universe increasingly mirrors that of adults. It is a community of choice, rather than circumstance. As young people seem to grow up faster and more independently than their parents did, we as a society need to pay attention to the lessons propagated by these communities of choice. We need to ask tough questions. Are virtual friends in Internet chat rooms offering the same benefits as friends in face-to-face organizations? The truth is, we know far more about the quantity of youthful engagement than we know about its quality.

### **Families and Social Capital**

Family is an important incubator of social capital. It is in families that young people ideally learn to share, cooperate, and contribute to a common good. Families are, in a sense, small communities in which norms of reciprocity and responsibility are most firmly inculcated. Having parents who participate is one of the best indicators of whether a young person will go on to vote, join community groups, or otherwise participate in the community.

## **Trends in Youth Engagement**

With respect to the present generation of young people, sometimes written off as a group of apathetic slackers the reality is slightly better than the perception. On the positive side, young adults today are more likely to volunteer than were young adults at any time over the past years. On the negative side, by every other indicator of civic-mindedness, the younger generation is providing little cause for hope. Just like their parents, young adults are tuning out of civic affairs. But, whatever the reason for their apathy, we cannot ignore the fact that young people are a reflection of who we are as a society and a portent of where we are headed. These youthful indicators should dampen our optimism about increased youth volunteering. Further, it is not merely civic indicators that are down. Young people are far less likely to seek and find social capital in informal settings, such as in the family home or the neighborhood, than were young people a generation ago. The challenge to those concerned about dwindling social capital is to embrace the technological and social changes that have brought so much good in recent years, while finding new ways to create social-capital-rich environments for young people in spite of, and ideally because of, these changes. As a society, we need to take a serious look at ways to increase the incentives for creating youth-oriented social capital and to remove the disincentives.

## **With Young People Aware and Motivated To Induce Changes**

Alongside the community service movement are scores of other efforts, private and often informal, that have also found innovative ways to build social capital among young people. School and community-based service corps have demonstrated the potential for civic engagement of young people from all socioeconomic backgrounds. However, the practice of taking young people seriously has not yet become standard operating procedure in schools, community organizations, or politics. Re-engaging young people will involve surmounting several formidable challenges. First, leaders will have to make a compelling case running contrary to everything young people think they know that participation actually does matter. Creating social-capital-rich communities for young people necessarily entails grappling with the transformation of families and the challenges facing both schools and houses of worship, which were the stalwart youth communities of old. While all youth engagement opportunities are important, some are better than others at creating meaningful, lasting patterns of civic engagement. The best opportunities for young people to contribute generally abide by three



principles 1) Respect Young People 2) provide Meaningful Engagement 3) inculcate Civic Values.

## Conclusion

Young people are disaffected, yet at the same time they are eager to find meaningful ways to participate in their schools and communities. Any effort to re-engage young people must begin with the schools. Schools and school boards fund community service-learning opportunities for all middle and high school students, create smaller schools within schools, offer a broad array of extracurricular activities, start more programs to re-connect out of school youths with educational and community institutions, and expand civics education. Schools to provide for active student government that has a say in some aspects of school operations. a generalized strategy to promote youth engagement outside the school walls, including expanding intergenerational mentoring programs, creating new ways to involve young people in running community organizations, and providing tangible rewards for service. For that reason, it is incumbent on government and non-profit organizations alike to create safe spaces for young people to learn about and fulfill responsibilities to others. More than ever, leaders need to incorporate young people into the broader community. Such efforts can take many forms. The groundwork has been laid for a bold, broad national investment in the social capital of our young people. The challenge now is for each of us as private individuals and as leaders of institutions to build on this promising foundation.

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