Personal awareness and responsibility include the skills, strategies, and dispositions that help us to stay healthy and active, set goals, monitor progress, regulate emotions, respect our own rights and the rights of others, manage stress, and persevere in difficult situations. People who demonstrate personal awareness and responsibility demonstrate self-respect and express a sense of personal well-being.

Personal awareness and responsibility are one of three interrelated competencies that relate to the broad area of Social and Emotional Learning (SEL):

- 1. Positive personal and cultural identity (PPCI)
- 2. Personal awareness and responsibility
- 3. Social responsibility

Personal awareness and responsibility includes personal efficacy and self-advocacy — the abilities that we use to understand and take responsibility for our actions, including our learning; to make constructive and ethical decisions about our personal and social behaviour; and to recognize and accept consequences, understanding how our actions affect our own well-being and that of others.

Development of personal awareness and responsibility begins within families and communities, before we enter formal schooling, and expands at every level of schooling. At each stage, we maintain and enhance competencies from previous stages, while developing new skills. We move from demonstrating personal responsibility in

relatively simple and highly supported situations, to demonstrating increasing independence in more complex and varied contexts. The development of competency in personal awareness and responsibility does not end with school graduation, but continues to develop in personal, social, educational, and workplace contexts.

#### 1. Self-determination

People who are personally aware and responsible have a sense of personal efficacy and growing confidence in a variety of situations. They value themselves, their ideas, and their accomplishments. They can express their needs and seek help when they need it, to find purpose and motivation and act on it, and to advocate to themselves.

- 1. They can show a sense of accomplishment and joy.
- 2. They can celebrate their efforts and accomplishments.
- 3. They can advocate for themselves and their ideas.
- 4. They can imagine and work toward change in themselves and the world.
- 5. They take the initiative to inform themselves about controversial issues.

# 2. Self-regulation

People who are personally aware and responsible take responsibility for their own choices and actions. They set goals, monitor progress, and understand and regulate their emotions. They are aware that learning involves patience and time. They can persevere in difficult situations, and to understand how their actions affect themselves and others.

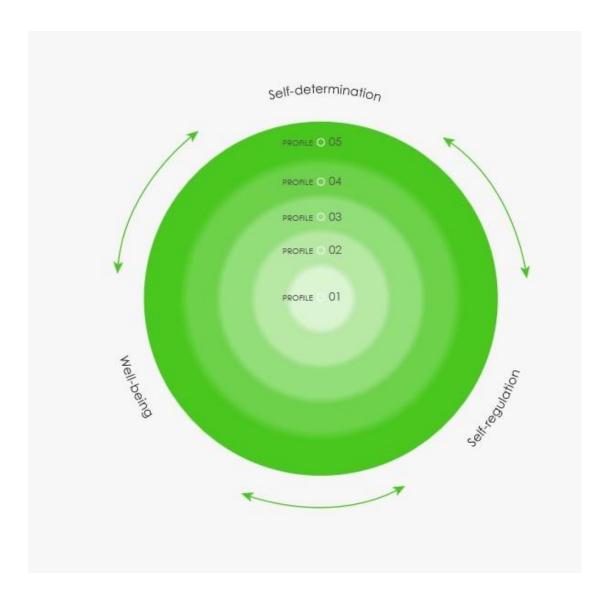
- 1. They can sometimes recognize emotions.
- 2. They can use strategies that help them manage their feelings and emotions.
- 3. They can persevere with challenging tasks.

- 4. They can implement, monitor, and adjust a plan and assess the results.
- 5. They can take ownership of their goals, learning, and behaviour.

### 3. Well-being

People who are personally aware and responsible recognize how their decisions and actions affect their mental, physical, emotional, social, cognitive, and spiritual wellness, and take increasing responsibility for caring for themselves. They keep themselves healthy and physically active, manage stress, and express a sense of personal well-being. They make choices that contribute to their safety in their communities, including online interactions. They recognize the importance of happiness and have strategies that help them find peace in challenging situations.

- 1. They can participate in activities that support their well-being and tell/show how they help themselves.
- 2. They can take some responsibility for their physical and emotional well-being.
- 3. They can make choices that benefit their well-being and keep them safe in their community, including their online interactions.
- 4. They can use strategies to find peace in stressful times.
- 5. They can sustain a healthy and balanced lifestyle.



**Profile 1:** With support, I can show a sense of accomplishment and joy, and express some wants, needs, and preferences. I can sometimes recognize emotions. I can participate in activities that support my wellbeing.

**Profile 2**: In a safe, supportive environment, I can share my ideas and accomplishments, and accept responsibility for my actions. I can use strategies that increase my feeling of well-being and help me manage my feelings and emotions. I can connect my actions with both positive and negative consequences. I make decisions about my activities and, with support, take some responsibility for my physical and emotional well-being. I can express my wants and needs and celebrate my efforts and accomplishments.

**Profile 3**: I can recognize my strengths and use strategies to focus, manage stress, and accomplish my goals. I can be focused and determined. I can set realistic goals, use strategies to accomplish them, and persevere with challenging tasks. I can tell when I am becoming angry, upset, or frustrated, and I have strategies to calm myself. I can make choices that benefit my well-being and keep me safe in my community, including my online interactions. I advocate for myself and my ideas; I accept myself.

**Profile 4**: I can recognize my value and advocate for my rights. I take responsibility for my choices, my actions, and my achievements. I can set priorities; implement, monitor, and adjust a plan; and assess the results. I take responsibility for my learning, seeking help as I need it. I use strategies for working toward a healthy and balanced lifestyle, for dealing with emotional challenges, and for finding peace in stressful times. I know how to find the social support I need. I have valuable ideas to share; I can imagine and work toward change in myself and in the world.

**Profile 5**: I can identify my strengths and limits, find internal motivation, and act on opportunities for self-growth. I take responsibility for making ethical decisions. I can take ownership of my goals, learning, and behaviour; I act on what is best, over time, in terms of my goals and aspirations. I recognize the implications of my choices and consult with others who may be affected by my decisions. I sustain a healthy and balanced lifestyle. I am aware of my personal journey and reflect on my experiences as a way of enhancing my well-being and dealing with challenges. I can advocate for myself in stressful situations. I take the initiative to inform myself about controversial issues and take ethical positions.

Majorly responsibilities can be classified into two types:

- 1. Personal responsibility
- 2. Social responsibility

**Personal responsibility** can be defined as "the idea that human beings choose, instigate, or otherwise cause their own actions" and **social responsibility** can be defined as "an ethical framework and suggests that an entity, be it an organization or individual, has an obligation to act for the benefit of society at large."

Personal responsibility can be contrasted to the idea that human actions are caused by conditions beyond the agent's control. Since the late 19th-century, personal responsibility has become increasingly associated with political conservatism and libertarianism. More recently, personal responsibility has been associated with the reform of social welfare programs.

## Difference between Personal Responsibility & Social Responsibility:

Different dictionaries define the terms differently. Webster dictionary defines social responsibilities as the obligations to fulfil the duties assigned, in a way that would benefit the society as a whole, rather than as individuals. Whereas, personal responsibilities are the duties assigned to ensure an overall image of the individual concerning his/her moral

code as perceived by the society. But, the explanation of personal responsibility can vary from people to people, depending entirely on their individual thought process.

The ethical framework that puts every individual and organization under obligation to act for the benefit of the society varies depending on the age and business. As a student, their social responsibility is to act in such a way that it minimizes the adverse effects of their action on those immediately surrounding them. Whereas, the corporate social responsibilities require a commitment from the corporates towards the local community, the country's economy, and the quality of life of the workforce. The social responsibility of scientists and engineers binds and holds them responsible for the positive and negative consequences of their work. Also, the combined social responsibility of these individuals is the choice and conduct of their work."

- 1. Personal responsibility
- 2. Moral responsibility
- 3. Legal responsibility
- 4. Social responsibility

Think more generally about the kinds of responsibility people have towards:

- themselves;
- their family;
- their local community;

- *the national community;*
- the wider world.

### List of Individual Responsibilities to Fulfil

- 1. Responsibility towards Yourself
- 2. Responsibility towards Your Family
- 3. Responsibility towards Work
- 4. Responsibility towards Country
- 5. Responsibility towards Humanity

## Responsibility towards Yourself

- Doing things for yourself.
- Earn to become self-reliant i.e. pay for food, clothing, shelter, travel, etc..
- Be <u>healthy</u>, <u>wealthy</u>, and happy.

You fulfil this **Responsibility as a Self-interested Person**. Being self-interested is absolutely fine, just try not to become selfish.

# Responsibility towards Family

- Spend quality time and take care of the family.
- Take care of parents in old age.
- Also look after in-laws in old age.
- Teach good values to your children.
- If you have children, then they are your biggest and most important responsibility.

You fulfil this **Responsibility as a Family Member**.

# Responsibility towards Work

 Fulfil responsibilities towards your job, business, blogging, consultancy, etc. • If you are a person in authority, you are responsible for your own actions as well as that of the people down the line.

You fulfil this **Responsibility as a Professional**.

### **Responsibility towards Your Country**

- Pay tax to contribute towards betterment of the nation.
- <u>Vote</u> to elect representatives, who work for betterment of all.
- Provide feedback to the government in the form of suggestions and complaints.

You fulfil this **Responsibility as a Citizen**.

### **Responsibility towards Humanity**

- <u>Donate</u> to help the needy and less privileged.
- Raise voice against all kinds of injustice which is a <u>Good Habit</u> as well as a <u>Good Karma</u>.
- Respect Rights of an Individual.
- Above all love, like, care, share, and accept others as they are.

You fulfil this **Responsibility as a Human Being**.

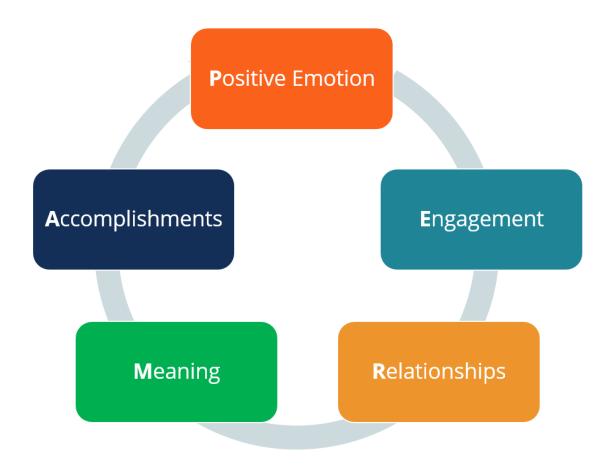
## Perma Model of Well Being

Wellbeing is a multidimensional concept that encompasses various aspects of an individual's life. It goes beyond just the absence of disease or illness and involves physical, mental, emotional, and social health factors. A person's overall wellbeing is strongly tied to their happiness and life satisfaction.

The factors listed are essential contributors to a person's wellbeing. Each play a significant role in shaping how an individual feels about themselves and their life. These factors can be divided into several categories:

- 1. Social factors: Having a happy intimate relationship with a partner and a network of close friends fosters a sense of belonging and emotional support. These relationships contribute to overall happiness and life satisfaction.
- 2. Career and financial factors: Having an enjoyable and fulfilling career provides purpose and goals, while having enough money helps meet basic needs and reduces financial stress, positively impacting wellbeing.
- 3. Physical health factors: Regular exercise, a nutritional diet, enough sleep, and spiritual or religious beliefs all contribute to better physical and mental health, leading to improved wellbeing.
- 4. Psychological factors: Healthy self-esteem and an optimistic outlook on life are important for maintaining positive mental health and overall wellbeing.
- 5. Personal growth and fulfilment: Engaging in fun hobbies and leisure pursuits, having realistic and achievable goals, and finding a sense of purpose and meaning in life are essential for a fulfilling existence.
- 6. Coping and adaptability: The ability to adapt to change and handle life's challenges influences how well an individual can maintain their wellbeing during difficult times.
- 7. It's important to note that these factors are interconnected. A positive aspect in one area of life can compensate for deficiencies in others. For example, a strong, supportive marriage can offset the lack of close friendships, and religious beliefs can provide solace and comfort during times of physical illness.

Recognizing and addressing the different dimensions of wellbeing is crucial for promoting a healthy and balanced life. By nurturing these various factors, individuals can improve their overall wellbeing and quality of life. Moreover, societal factors such as living in a fair and democratic society can also play a role in creating an environment that supports people's wellbeing.



The PERMA Model represents the five core elements of happiness and well-being. PERMA basically stands for Positive Emotion, Engagement, Relationships, Meaning, and Accomplishments.

American psychologist and educator Martin Seligman designed the PERMA Model.

The PERMA model is a theory of wellbeing and happiness proposed by positive psychologist Martin Seligman. It is an acronym that represents five essential elements that contribute to a flourishing life:

- 1. **Positive Emotions**: This route to well-being is hedonic increasing positive emotion. Within limits, we can increase our positive emotion about the past (e.g., by cultivating gratitude and forgiveness), our positive emotion about the present (e.g., by savouring physical pleasures and mindfulness) and our positive emotion about the future (e.g., by building hope and optimism). This element involves experiencing positive feelings such as joy, gratitude, love, hope, and contentment. Cultivating positive emotions enhances overall wellbeing and resilience.
- 2. Engagement: Engagement: Engagement is an experience in which someone fully deploys their skills, strengths, and attention for a challenging task. According to Mihaly Csikszentmihalyi, this produces an experience called "flow" that is so gratifying that people are willing to do it for its own sake, rather than for what they will get out of it. The activity is its own reward. Flow is experienced when one's skills are just sufficient for a challenging activity, in the pursuit of a clear goal, with immediate feedback on progress toward the goal. In such an activity, concentration is fully absorbed in the moment, self-awareness disappears, and the perception of time is distorted in retrospect, e.g., time stops. Flow can be experienced in a wide variety of activities, e.g., a good conversation, a work task, playing a musical instrument, reading a book, writing, building furniture, fixing a bike, gardening, sports training or performance, to name just a few.
- 3. **Relationships**: Relationships are fundamental to well-being. The experiences that contribute to well-being are often amplified through our relationships, for example, great joy, meaning, laughter, a feeling of belonging, and pride in accomplishment. Connections to others can give life purpose and meaning. Support from and connection with others is one of the best antidotes to

"the downs" of life and a reliable way to feel up. Research shows that doing acts of kindness for others produces an increase in well-being. From an evolutionary perspective, we are social beings because the drive to connect with and serve others promotes our survival. Developing strong relationships is central to adaptation and is enabled by our capacity for love, compassion, kindness, empathy teamwork, cooperation, self-sacrifice, etc. Social connections and positive relationships with others are vital for wellbeing. Nurturing meaningful and supportive relationships with family, friends, and the community can contribute to happiness and a sense of belonging.

- 4. **Meaning**: This element involves having a sense of purpose and meaning in life. Understanding one's values, contributing to something greater than oneself, and having clear goals can provide a sense of direction and fulfilment.
- 5. **Accomplishment/Achievement**: The feeling of accomplishment and achievement comes from setting and reaching realistic and meaningful goals. Celebrating successes, both big and small, can boost self-esteem and contribute to overall wellbeing.

The PERMA model emphasizes the importance of these five elements working together to create a flourishing and fulfilling life. By incorporating positive emotions, engaging in activities that bring joy and purpose, nurturing meaningful relationships, finding a sense of meaning and purpose, and achieving personal goals, individuals can enhance their wellbeing and life satisfaction.

It's essential to note that the PERMA model is just one of many theories and frameworks that explore the complexities of human happiness and wellbeing. Different models may resonate with different individuals, and wellbeing is a multifaceted concept that can be influenced by various factors, as discussed earlier. Each of these five building blocks contributes to well-being and:

Is pursued for its own sake, not as a means to an end

Is defined and measured independently of the other elements

### The Benefits of Well-Being

Research demonstrates that well-being is not only valuable because it feels good, but also because it has beneficial real-world consequences. Compared to people with low well-being, individuals with higher levels of well-being:

Perform better at work

Have more satisfying relationships

Are more cooperative

Have stronger immune systems

Have better physical health

Live longer

Have reduced cardiovascular mortality

Have fewer sleep problems

Have lower levels of burnout

Have greater self-control

Have better self-regulation and coping abilities

Are more prosocial

Research has identified optimism as one of the key contributors to well-being. Studies show that optimism brings many benefits compared to pessimism, including:

Less depression and anxiety

Better performance at school, sports, and work

Reduced risk of dropping out of school

Better physical health outcomes, including fewer reported illnesses, less coronary heart disease, lower mortality risk, and faster recovery from surgery.

### **Institutional Applications**

The science of well-being has important implications for institutional applications:

Schools can educate students for flourishing as well as for workplace success. The skills of well-being can be taught.

Parents can cultivate their children's strengths, grit, and resilience.

Workplaces can improve performance as well as raise employee wellbeing.

Therapists can nurture their patients' strengths to prevent mental illness and enhance flourishing, as well as heal damage.

Communities can encourage public service and civic engagement.

Social responsibility involves the ability and disposition to consider the interdependence of people with each other and the natural environment; to contribute positively to one's family, community, society, and the environment; to resolve problems peacefully; to empathize with others and appreciate their perspectives; and to create and maintain healthy relationships. As seen earlier, Social responsibility is one of three interrelated competencies that relate to the broad area of Social and Emotional Learning (SEL):

- I. Positive personal and cultural identity (PPCI)
- II. Personal awareness and responsibility
- III. Social responsibility

Students who demonstrate social responsibility are active, caring, and responsible members of society. They collaborate effectively with others, demonstrate a strong sense of community-mindedness, and take actions to support diversity and the environment. They show respect for everyone's rights, and demonstrate empathy and a sense of ethical care as they develop relationships and consider differing perspectives.

Development of social responsibility begins within families, before students enter formal schooling, and is expanded and enhanced at every stage of life and schooling. At each stage, students maintain and enhance competencies from previous stages, while developing new skills. Students move from demonstrating social responsibility in relatively simple and highly supported situations, to demonstrating increasing independence in more complex and varied social and environmental

contexts. They accept generational roles and responsibilities. The development of competency in social responsibility does not end with school graduation, but continues to develop in personal, social, educational, and workplace contexts as adults take individual and collective responsibility for the good of society and the environment.

The four facets of social responsibility described, are interrelated and interwoven with each other and with other competencies.

#### 1. Contributing to community and caring for the environment

Students develop awareness and take responsibility for their social, physical, and natural environments by working independently and collaboratively for the benefit of others, communities, and the environment.

## Sample "I" statements

With some support, I can be part of a group.

I can participate in classroom and group activities to improve the classroom, school, community, or natural world.

I contribute to group activities that make my classroom, school, community, or natural world a better place.

I can identify how my actions and the actions of others affect my community and the natural environment and can work to make positive change.

I can analyse complex social or environmental issues from multiple perspectives. I can take thoughtful actions to influence positive, sustainable change.

### 2. Solving problems in peaceful ways

Students identify and develop an appreciation of different perspectives on issues; they generate, use, and evaluate strategies to resolve problems.

# Sample "I" statements

I can solve some problems myself and can identify when to ask for help.

I can identify problems and compare potential problem-solving strategies.

I can clarify problems, consider alternatives, and evaluate strategies.

I can clarify problems or issues, generate multiple strategies, weigh consequences, compromise to meet the needs of others, and evaluate actions.

### 3. Valuing diversity

Students value diversity, defend human rights, advocate for others, and act with a sense of ethics in interactions, including online.

## Sample "I" statements

With some direction, I can demonstrate respectful and inclusive behaviour.

I can explain when something is unfair.

I can advocate for others.

I take action to support diversity and defend human rights, and can identify how diversity is beneficial for my community, including online.

# 4. Building relationships

Students develop and maintain diverse, positive peer and intergenerational relationships in a variety of contexts.

# Sample "I" statements

With some support, I can be part of a group.

I am kind to others, can work or play co-operatively, and can build relationships with people of my choosing.

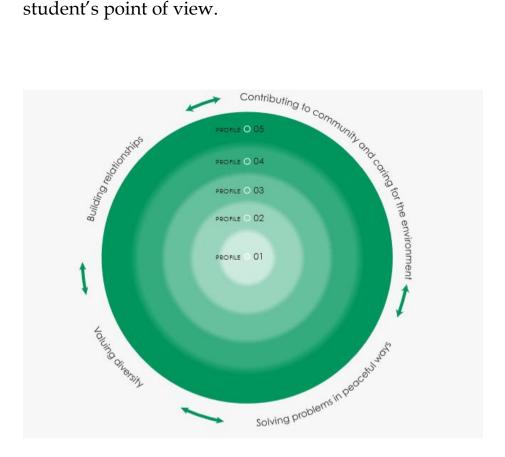
I can identify when others need support and provide it.

I am aware of how others may feel and take steps to help them feel included.

I build and sustain positive relationships with diverse people, including people from different generations.

## **Social Responsibility Competency Profiles**

These profile descriptions include the four facets that underpin the Social Responsibility Competency: contributing to community and caring for the environment, solving problems in peaceful ways, valuing diversity, and building relationships. The four facets are interrelated and are embedded within the profile descriptions, which are written from a student's point of view.



Profile Description

I am aware that other people can be different than I am.

I can interact with my friends. With some support, I can be part of a group.

In familiar and structured settings, I can interact with others and the environment respectfully.

I can participate in classroom and group activities to improve the classroom, school, community, or natural world.

I can share my feelings and listen to others' views. I can solve some problems myself and can identify when to ask for help.

With some direction, I can demonstrate respectful and inclusive behaviour, including online.

I can identify when something is unfair to me or others.

I can identify when others need help. I am kind to others, can work or play co-operatively, and can build relationships with people of my choosing.

I can interact with others and the environment respectfully and thoughtfully.

I contribute to group activities that make my classroom, school, community, or natural world a better place. I can identify small things I can do that could make a difference.

I can consider others' views and express a different opinion in a peaceful way.

I can identify problems and compare potential problemsolving strategies.

I can demonstrate respectful and inclusive behaviour, including online.

I can explain why something is unfair.

I can identify when others need support and provide it.

I can build and sustain relationships.

I show care for elders.

I can take purposeful action to support others and the environment.

I can identify how my actions and the actions of others affect my community and the natural environment and can work to make positive change.

I can identify different perspectives on an issue.

I can clarify problems, consider alternatives, and evaluate strategies.

I respect differences, and demonstrate respectful and inclusive behaviour, including online.

I can advocate for others.

I am aware of how others may feel and take steps to help them feel included.

I maintain relationships with people from different generations.

I can initiate positive, sustainable change for others and the environment.

I can analyse complex social or environmental issues from multiple perspectives.

I can take thoughtful actions to influence positive, sustainable change.

I can clarify problems or issues, generate multiple strategies, weigh consequences, compromise to meet the needs of others, and evaluate actions.

I take action to support diversity and defend human rights, and can identify how diversity is beneficial for my community, including online.

I build and sustain positive relationships with diverse people, including people from different generations.

I show empathy for others and adjust my behaviour to accommodate their needs.

The business owes a great irresponsibility to the community in various directions. Some of the major areas where business can and does contribute towards community welfare as a part of its social responsibility are:

#### 1. In the field of Industry

An important social responsibility of business/industry is to help rural areas by introducing "self-help" and "earn-while-you-learn" programmes. Initially, such programmes may be labour intensive in areas like pottery, carpentry, weaving, spinning, industry based on agriculture, farming, dairy farming, pig rearing, poultry and storage, etc., so employment opportunities could be provided in rural areas.

For this purpose, business experts should survey areas that need improvement, skill requirement, financial assistance etc.

# 2. In the field of Agriculture

As a social responsibility, a large business house can play an important role in agricultural development, to provide full-time employment to the vast unemployed rural labour force.

For this purpose, the business should get the survey done by its experts in the field of climate, soil conditions, breeding of livestock facilities for irrigation and water supply and actual supply of fertilizers seeds, pesticides, expertise, and finances. Non-agricultural activities seeking linkage with the agricultural sector and the industrialized sector can also be developed.

### 3. Housing Facilities

The social responsibility of business in this sphere is great, specially, because a major proportion of the rural population is doomed to diseases, squalid existence in hopelessly ill-planned and filthy houses. Therefore, business can play a major role by extending financial aid, by providing material and manpower support, home building practices etc.

In urban areas, slum clearance schemes, one or two room tenements with facilities for sanitation should be provided in labour colonies.

## 4. Transportation

Business and other agencies can help the government by undertaking studies and programmes of technical and financial assistance to develop cheap public transport, increasing the operational efficiency and utilization of road capacity, enhanced licensing procedures, more rational and scientific estimates for vehicle fleet size and manpower for different modes of transport, improved maintenance and replacement policy for the spares, and structural changes in urban and rural layouts.

#### 5. Health and Education

Business organizations have their responsibility towards improvement of the quality of the people of the community. They can and should be engaged in works like improving drainage system, adequate clean drinking water facility, enhancing sewage disposal system, waste management, pollution control, improving sanitation, construction of toilets etc., which will prevent many water-borne diseases. Medicines can be distributed free of cost, offering healthy food to children, sick people, pregnant mothers and aged people. Organizing camps should be conducted to treat minor ailments.

The problems responsible for ill-health in the rural areas need solution, for they result from lack of health education, unhealthy environment, unclean habits of living, poverty, poor diet, and the social culture. These problems can be solved through medical help, and the help of social workers. Besides, rural education could provide individuals with knowledge and skills to enable them to manage their families, to participate in cultural and economic life and to sharpen problem-solving capabilities.

#### 6. Industrial Aid to Education in Urban Areas

Progressive individual businessmen and individual business houses are running or supporting schools, colleges and technical/professional educational institutions.

In fact, it is a part of modern social responsibility of business that it should support educational programmes, more particularly technical education. In some cases, they help by lending the services of their specialists (as visiting experts) and giving financial help.

#### 7. Social Audit on Factual Assessment

This should be done by trained and professional personnel to show the social performance of business. The term "social audit" generally means 'a comprehensive evaluation of the way a company discharges all its responsibilities to shareholders, customers, employees, community and the government'.

A social audit should generally adopt a four-step process, wiz;

- firm must itemize all the activities that have a potential social impact;
- the circumstances leading to these actions or activities must be explained;
- some evaluation of the performance must be conducted; and
- the company must examine the relationship between the goals of the firm and those of society to see how the programme relate to one another.

In brief, it may be said that business must accept responsibility to the society and its various constituents as a trustee for the goods and services that it produces, consumes, saves and reinvests.

Such responsibilities extend beyond the business to the lives of the people and the community and as such they should endeavor to:

- play their proper role in civil affairs within the goals of the business;
- promote amenities and help, create better living conditions;
- help in making people law-abiding and improving legislation and administration in municipal and industrial affairs; and set-up socially desirable standards of living, themselves avoiding ostentatious, wasteful expenditure, and improvident display in weddings, festivities and parties.

### **Value Diversity and Building Relationships**

#### What is Culture?

"Culture" refers to a group or community which shares common experiences that shape the way its members understand the world. It includes groups that we are born into, such as race, national origin, gender, class, or religion. It can also include a group we join or become part of. For example, it is possible to acquire a new culture by moving to a new country or region, by a change in our economic status, or by becoming disabled. When we think of culture this broadly we realize we all belong to many cultures at once.

### Why is culture important?

Culture is a strong part of people's lives. It influences their views, their values, their humour, their hopes, their loyalties, and their worries and fears. So when you are working with people and building relationships with them, it helps to have some perspective and understanding of their cultures.

But as we explore culture, it's also important to remember how much we have in common. People see the world very differently, but they know what it is like to wake up in the morning and look forward to the adventures that of the day. We are all human beings. We all love deeply, want to learn, have hopes and dreams, and have experienced pain and fear.

At the same time, we can't pretend our cultures and differences don't matter. We can't gloss over differences and pretend they don't exist, wishing we could all be alike, and we can't pretend that discrimination doesn't exist.

### Why is understanding culture IMPORTANT?

The world is becoming increasingly diverse and includes people of many religions, languages, economic groups, and other cultural groups.

It is becoming clear that in order to build communities that are successful at improving conditions and resolving problems, we need to understand and appreciate many cultures, establish relationships with people from cultures other than our own, and build strong alliances with different cultural groups. Additionally, we need to bring non-mainstream groups into the centre of civic activity. Why?

In order to build communities that are powerful enough to attain significant change, we need large numbers of people working together. If cultural groups join forces, they will be more effective in reaching common goals, than if each group operates in isolation.

Each cultural group has unique strengths and perspectives that the larger community can benefit from. We need a wide range of ideas, customs, and wisdom to solve problems and enrich community life. Bringing non-mainstream groups into the center of civic activity can provide fresh perspectives and shed new light on tough problems.

**Understanding cultures will help us overcome and prevent racial and ethnic divisions**. Racial and ethnic divisions result in misunderstandings, loss of opportunities, and sometimes violence. Racial and ethnic conflicts drain communities of financial and human resources; they distract cultural groups from resolving the key issues they have in common.

People from different cultures have to be included in decision-making processes in order for programs or policies to be effective. The people affected by a decision have to be involved in formulating solutions--it's a basic democratic principle. Without the input and support of all the groups involved, decision-making, implementation, and follow through are much less likely to occur.

An appreciation of cultural diversity goes hand-in-hand with a just and equitable society. For example, research has shown that when students' cultures are understood and appreciated by teachers, the students do better in school. Students feel more accepted, they feel part of the school community, they work harder to achieve, and they are more successful in school.

If we do not learn about the influences that cultural groups have had on our mainstream history and culture, we are all missing out on an accurate view of our society and our communities.

# Diversity Issues When Developing Work Relations with others

Understanding the diversity issues that can interrupt working relationships, such as differences in communication styles or business etiquette, helps employees and organizational leaders and public in general diminish the impact of these issues or avoid them altogether. There are, of course, dozens of issues that can divide us in a multicultural workplace/community.

### 1. Language Differences

The issue which is most apt to cause discomfort in the workplace is language. The challenges of working in a multi-lingual environment are many. Accents, for one, can make it very difficult to understand what the other person is saying. Multiple languages being spoken in the workplace can be another source of tension.

### 2. Differences in Values and Etiquette

Scholars who study cultural diversity agree that the primary value that distinguishes American culture from much of the rest of the world is America's emphasis on the individual over the group. We tend to reward individual effort, emphasize individual responsibility, and give credit for individual achievement. By contrast, 70 percent of the rest of the world is more concerned with the needs and responsibilities of the group. Members of what are called "collectivist" cultures live their lives for the good of the group. Perhaps, for example, you have encountered colleagues who seem uncomfortable when complimented in front of others or when selected for the honour of "worker of the month." Maybe you know someone from a group-oriented culture who refused a promotion because she was uncomfortable being elevated above the group. As you study diversity further, you will gradually see that group versus individualistic cultural differences can affect a wide-variety of workplace relationships.

#### 3. Tone of voice

Have you ever had an encounter with someone from another culture who seemed to be rude or demanding only to discover later that he or she had no intention of sounding that way? There are a number of reasons why this happens. The tonal structure of many languages simply does not translate very harmoniously into English. Because of the harshness of tone, someone from these countries might sound inadvertently rude when making a request or statement.

#### 4. Clustering

Clustering means the habit of primarily sitting with, talking to, and "hanging around" people who are like oneself. Although there is nothing intrinsically wrong with clustering, it can create the impression of exclusion and even racism. No matter what the group involved -- be it Anglo, African-American, Asian, Latino -- when we routinely congregate with those who are like ourselves culturally or racially, it can be misinterpreted to mean that we regard our own group as better than others.

#### 5. Communication

Verbal and non-verbal communication can be an issue in cross-cultural workplace relationships. For example, even a foreign-born colleague fluent in the English language can misunderstand English words because of regional accents, dialects, slang or speech impediments. Non-verbal communication such as how a person sits or uses eye contact also can be misinterpreted between colleagues of different cultures unless colleagues can learn about each other's specific communication styles.

#### 6. Tolerance

Racial and cultural resentments can be toxic issues in the workplace. For example, insensitive comments or assumptions about someone based on a stereotype can hurt a working relationship or get you in trouble, even if done naively or through just kidding around. Part of the American culture is to be outspoken and assertive, which are useful traits until what we say and how we say it to a colleague comes off as offensive. How colleagues of different cultures or sub-cultures dress, wear their hair, greet people or carry themselves can also be confusing or spark unfair judgment in a workplace.

## 7. Religious Issues

Religious differences can be a deeply personal diversity issue among co-workers. Talking about religion in a workplace or business setting can cross ethical or legal lines. Still, religious differences need to be understood even in seemingly benign interactions such as a colleague refusing your drink offer after work because his religion forbids consuming alcohol. Respecting colleagues' religious beliefs, especially

when they're different from yours, can help you avoid awkward or negative conflicts and improve working relations.

#### 8. Workplace Issues

Cultures can differ widely on ways to interact with authority figures at work. For example, cultural influences can compel a foreign-born employee to respect his boss's ideas and choices without question. To the manager who expects challenges and feedback from employees, the submissive behavior can be interpreted as if the worker is too passive or disengaged. Issues also can arise from cultural differences regarding decision-making, learning, disclosing information, resolving conflict or completing tasks.

### **Overcoming Issues**

Even respect shown in seemingly small ways can build trust despite diversity issues. For example, learning how to say a colleague's name correctly or how to say "good morning" or "thank you" in a person's native language shows respect. Such effort shows appreciation for foreign colleagues and the challenges they go through in learning new languages and adapting to new ways. Temporarily setting aside your own beliefs, assumptions and judgments in order to see through others' cultural lenses can help you overcome diversity issues with colleagues.

# Why Have Good Relationships?

Human beings are naturally social creatures – we crave friendship and positive interactions, just as we do food and water. So it makes sense that

the better our relationships are at work, the happier and more productive we're going to be.

Good working relationships give us several other benefits: our work is more enjoyable when we have good relationships with those around us. Also, people are more likely to go along with changes that we want to implement, and we're more innovative and creative.

What's more, good relationships give us freedom: instead of spending time and energy overcoming the problems associated with negative relationships, we can, instead, focus on opportunities.

Good relationships are also often necessary if we hope to develop our careers. After all, if your boss doesn't trust you, it's unlikely that he or she will consider you when a new position opens up. Overall, we all want to work with people we're on good terms with.

We also need good working relationships with others in our professional circle. Customers, suppliers and key stakeholders are all essential to our success. So, it's important to build and maintain good relations with these people.

## Defining a Good Relationship

There are several characteristics that make up good, healthy working relationships:

**Trust** – This is the foundation of every good relationship. When you trust your team and colleagues, you form a powerful bond that helps you to work and communicate more effectively. If you trust the people you work with, you can be open and honest in your thoughts and actions, and you don't have to waste time and energy "watching your back."

**Mutual Respect** – When you respect the people who you work with, you value their input and ideas, and they value yours. Working together, you can develop solutions based on your collective insight, wisdom and creativity.

**Mindfulness** – This means taking responsibility for your words and actions. Those who are mindful are careful and attend to what they say, and they don't let their own negative emotions impact the people around them.

Welcoming Diversity – People with good relationships not only accept diverse people and opinions, but they welcome them. For instance, when your friends and colleagues offer different opinions from yours, you take the time to consider what they have to say, and factor their insights into your decision-making.

**Open Communication** – We communicate all day, whether we're sending emails and IMs, or meeting face to face. The better and more effectively you communicate with those around you, the richer your relationships will be. All good relationships depend on open, honest communication.

## **Solutions to Culturally-Rooted Conflicts**

#### 1. Ask

Most of us were taught that asking questions is an effective strategy for gathering information. Many of you no doubt recall the adage, "there is no such thing as a stupid question." Of course there are certain taboo subjects that you do not ask about -- money, sex, and religion come to mind. Unfortunately, for many people, cultural differences are also on this list. Somewhere along the line, we got the idea that it is not alright to ask about someone's culture or ethnicity -- that acknowledging openly that there might be a cultural difference between people is disrespectful and patronizing. The truth is quite the opposite. Asking others about their cultures is a logical and genteel way of avoiding the kinds of misunderstandings that can create intercultural conflicts in the workplace.

Asking is the most efficient way to gather information. Here are some tips that will make your inquiries most effective:

- Do not ask about something when you are irritated.
- Relate your question back to your own sometimes mysterious behavior and culture.
- Even if you do not like the behavior you are asking about, do not be accusatory or judgmental.
- When you find yourself hesitating to ask something because you feel it would appear patronizing or intrusive, ask yourself this question: Would you ask this type of question of someone from your own culture? If the

answer is "yes," you can be assured that it is a legitimate inquiry that you have every right to make.

## 2. Seeking Commonalities

One of the dangers of studying cultural differences is that it can cause us to focus more on how we differ than on the commonalities which bind us. As we learn and ask about differences in body language, etiquette, and values, we forget that underneath those features -- underneath what we might call the "cloak of culture" -- are commonalities which all human beings share. Foremost among those are the desire for human dignity, the need for survival and physical comfort, and the wish for companionship and respect.

Commonalities can go beyond these larger values to include common preferences, tastes, and life experiences. One of the best ways to find these commonalities is to consciously reach out to colleagues in order to identify what you share.

Here are some tips that will guide you in establishing areas of commonality:

- Be prepared to be rebuffed. As in any relationship, your effort to establish commonalities may not prove successful. Do not let this discourage you. Just because the first subject you try does not strike a common cord is no reason to give up on the effort.
- Watch for opportunities. During conversations in which interests and topics are being shared, be alert to subjects you can comment on and which relate back to your own experience.

• Communicate genuine interest in the other person. One of the great advantages to working in a multicultural workplace is the opportunity to learn about other peoples and other ways of doing things. As you show interest in alternative lifestyles and beliefs, you will be amazed at the common areas of agreement that will emerge.

## 3. Do not project your own culture onto others.

If we define "culture" as a "socially transmitted design for living," it is obvious that everybody has one. Every culture dictates what is most important to us and how we behave. Having a culture and having values that are associated with that culture is a good thing. The problem arises when we project those values onto other people; in other words, when we make the mistake of assuming that colleagues from other cultures are doing what they are doing for the same reasons we would.

Assume, for example, that you have a colleague who builds relationships slowly and who is hesitant to reveal personal information about themselves. This restrained behaviour -- behaviour which we have seen is characteristic of many immigrant cultures - might be in sharp contrast to the native tendency to form friendships quickly and to be open and forthright with personal information. Because of this contrast, there is the temptation to project native values onto others and assume them to be cold just because they develop relationships at a more leisurely pace.

It is because of this tendency for all of us to project our cultures onto others that we must take great care to evaluate any behaviour from the cultural perspective of the other person, not from the perspective of our own values and practices. From things as simple as differing ideas of proper eye contact to more complex ideas like why a person might not seek a promotion, the trick is to recognize that there may be a cultural difference in motivation and, in turn, to ask for an explanation from the people involved.

## 4. Communicating respect

Showing respect for others is probably the single most important thing we can do to build harmony between cultures. We've to acknowledge and respect every individual's right to be who they are and make an effort to communicate respect even in the small things.

Here are some examples of ways which can go far toward making your colleagues feel that they are getting the respect which every human being needs and deserves:

- Call people by their preferred form of address. This might be by the first name, last name, or by the use of a title.
- Pronounce people's names correctly. Admittedly, some names can be very difficult to pronounce, but it is worth the effort in light of the good feelings correct pronunciation can create. Each time you demonstrate your willingness to try, you will be building a bond that will permanently improve your cross-cultural relationships.
- Find out what countries people are from. To say, for example, that someone is from "Asia" without naming a country is roughly like

indicating that the native born American is from the "Western World." Be specific. There is as much difference between a Filipino and a Korean as between an American and a Frenchman.

• Learn a few words of the languages spoken in your workplace. You do not need to learn all the languages nor even all of one language.

Mutual respect is at the heart of every harmonious workplace. If you look back at the suggestions above -- from asking questions to looking for commonalities -- you will discover that they are nothing more than ways of showing those around you that you respect them enough to learn who they are and what they have to contribute as individual human beings.

# How to Build Good Work Relationships?

- ➤ Develop Your People Skills
- ➤ Identify Your Relationship Needs
- ➤ Schedule Time to Build Relationships
- > Focus on Your EI
- Appreciate Others
- ➤ Be Positive
- ➤ Manage Your Boundaries
- Avoid Gossiping
- ➤ Listen Actively

## **Difficult Relationships**

Occasionally, you'll have to work with someone you don't like, or someone that you simply can't relate to. But, for the sake of your work, it's essential that you maintain a professional relationship with him.

When this happens, make an effort to get to know the person. It's likely that they know full well that the two of you aren't on the best terms, so make the first move to improve the relationship by engaging them in a genuine conversation, or by inviting them out to lunch. While you're talking, try not to be too guarded. Ask them about their background, interests and past successes. Instead of putting energy into your differences, focus on finding things that you have in common.

Just remember – not all relationships will be great; but you can make sure that they are, at least, workable!

# **Non-Government Organization**

A non-governmental organization (NGO) is a non-profit, citizen-based group that functions independently of government. ... As non-profit organizations, NGOs rely on a variety of sources for funding projects, operations, salaries and other overhead costs.

NGOs — nongovernmental organizations — are independent of both the government and the business sector. Their mandate is to promote the public interest and serve the public good rather than to make a profit or advance the interests of a narrow group of individuals. Their independence enables them to monitor government performance and advocate for improvements. NGOs that are respected by both the government and the business sector can help mediate conflicts or find

solutions to common concerns. Finally, their independence from government, political parties and religious institutions allows them to create a shared vision for their community. NGOs mobilize volunteers and other resources to achieve their vision. Over the past few decades, NGOs have been at the forefront of major social movements to better people's lives. The number of NGOs in emerging democracies has grown rapidly over the past decades. In places such as the former Soviet republics, NGOs are helping build democratic institutions and provide safety nets for poor and vulnerable populations. The term "NGO" first came into use after World War II when the United Nations applied it to private organizations that helped heal the ravages of the war — millions of displaced people, orphans and high unemployment. But the concept of citizens organizing around issues goes back much further. Some scholars identify the first international NGO as Antislavery International, established in 1839. Today, the U.N. recognizes an estimated 40,000 international NGOs, with millions more operating within countries. There are many different kinds of NGOs. Some are large, multinational organizations while others are small, village-based groups. Some target particular issues or sectors, such as women, youth, the environment, human rights, education or health. Others address multiple issues and sectors. Whatever their area or scope, all NGOs exist to make people's lives better or solve a social problem. Most NGOs are founded by people who are passionate about their communities or causes. Yet starting and running an NGO takes more than passion. It takes knowledge, skills, resources and relationships. It also takes time, planning, patience and flexibility.

LEGITIMACY- When an NGO is seen as legitimate, the public believes that it addresses a need in society and that its members put that social need above their personal interests. It serves the public good and must have a group of people who serve as the stewards of that public trust. This is typically the board of directors.

NGOs that are controlled by one individual who is not accountable to a board or other stakeholders will not be seen as legitimate and will not earn the diverse support needed to sustain the organization. Clear, relevant mission focused on meeting a critical community or societal need. But a good mission is not enough. To be legitimate, an NGO must also be well governed, well run and effective. An NGO that is controlled by one individual will not be seen as legitimate. If one person dominates an organization with little input or oversight from others, that individual risks promoting his or her personal interest over the public interest. Without the active leadership and management of several people, there are no checks and balances to prevent misuse or abuse of NGO resources. An NGO needs a broad base of leaders who solicit input from stakeholders to make sure their organization serves the public interest. ACCOUNTABILITY - An NGO exists for the public good, it must be accountable to answer to the public. Specifically, that means answering to your stakeholders: funders, members, partners, the people you serve, the community you operate in and other NGOs. Different stakeholders have different expectations. Your funders expect their money to be used for the intended purpose, managed well and applied to meet project objectives. The people you serve expect help with their needs and to be treated with respect. Partners expect you to be honest and follow through on commitments. These are just a few examples. NGOs need to engage and listen to their different stakeholders to understand their varied expectations.

## **NGO Types**

NGO types can be understood by their orientation and level of operation.

## NGO types by orientation:

Charitable Orientation often involves a top-down paternalistic effort with little participation by the "beneficiaries". It includes NGOs with activities directed toward meeting the needs of the poor -distribution of food, clothing or medicine; provision of housing, transport, schools etc. Such NGOs may also undertake relief activities during a natural or man-made disaster.

Service Orientation includes NGOs with activities such as the provision of health, family planning or education services in which the programme is designed by the NGO and people are expected to participate in its implementation and in receiving the service.

Participatory Orientation is characterized by self-help projects where local people are involved particularly in the implementation of a project by contributing cash, tools, land, materials, labour etc. In the classical community development project, participation begins with the need definition and continues into the planning and implementation stages. Cooperatives often have a participatory orientation.

Empowering Orientation is where the aim is to help poor people develop a clearer understanding of the social, political and economic factors affecting their lives, and to strengthen their awareness of their own potential power to control their lives. Sometimes, these groups develop spontaneously aroud a problem or an issue, at other times outside workers from NGOs play a facilitating role in their development. In any case, there is maximum involvement of the people with NGOs acting as facilitators.

## NGO Types by level of operation:

Community-based Organizations (CBOs) arise out of people's own initiatives. These can include sports clubs, women's organizations, neighbourhood organizations, religious or educational organizations. There are a large variety of these, some supported by NGOs, national or international NGOs, or bilateral or international agencies, and others independent of outside help. Some are devoted to rising the consciousness of the urban poor or helping them to understand their rights in gaining access to needed services while others are involved in providing such services.

Citywide Organizations include organizations such as the Rotary or lion's Club, chambers of commerce and industry, coalitions of business, ethnic or educational groups and associations of community organizations. Some exist for other purposes, and become involved in helping the poor as one of many activities, while others are created for the specific purpose of helping the poor.

National NGOs include organizations such as the Red Cross, YMCAs/YWCAs, professional organizations etc. Some of these have state and cuty branches and assist local NGOs.

International NGOs range from secular gencies such as Redda BArna and Save the Children organizations, OXFAM, CARE, Ford and Rockefeller Foundations to religiously motivated groups. Their activities vary from mainly funding local NGOs, institutions and projects, to implementing the projects themselves.

## Nonprofit organization (NPO)

A nonprofit organization (NPO) or non-profit organization, also known as a non-business entity, [1] or nonprofit institution, [2] is a legal entity organized and operated for a collective, public or social benefit, in contrary with an entity that operates as a business aiming to generate a profit for its owners. A nonprofit is subject to the non-distribution constraint: any revenues that exceed expenses must be committed to the organization's purpose, not taken by private parties. An array of organizations are nonprofit, including some political organizations, schools, business associations, churches, social clubs, and consumer cooperatives. Nonprofit entities may seek approval from governments to be tax-exempt, and some may also qualify to receive tax-deductible contributions, but an entity may incorporate as a nonprofit entity without securing tax-exempt status.

Key aspects of nonprofits are accountability, trustworthiness, honesty, and openness to every person who has invested time, money, and faith into the organization. Nonprofit organizations are accountable to the donors, founders, volunteers, program recipients, and the public community. Theoretically, for a nonprofit that seeks to finance its operations through donations, public confidence is a factor in the amount of money that a nonprofit organization is able to raise. Supposedly, the

more a nonprofit focuses on their mission, the more public confidence they will gain. This will result in more money for the organization.[1] The activities a nonprofit is partaking in can help build the public's confidence in nonprofits, as well as how ethical the standards and practices are.

## Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) is a concept whereby companies not only consider their profitability and growth, but also the interests of society and the environment by taking responsibility for the impact of their activities on stakeholders, environment, consumers, employees, communities, and all other members of the public sphere. The basic premise is that when the corporations get bigger in size, apart from the economic responsibility of earning profits, there are many other responsibilities attached to them which are more of non-financial/social in nature. These are the expectations of the society from these corporate to give something in return to the society with whose explicit or implicit help these entities stand where CSR is understood to be the way firms integrate social, environmental and economic concerns into their values, culture, decision making, strategy and operations in a transparent and accountable manner and thereby establish better practices within the firm, create wealth and improve society.

Corporate Social Responsibility is nothing but what an organisation does, to positively influence the society in which it exists. It could take the form of community relationship, volunteer assistance programmes, special scholarships, preservation of cultural heritage and beautification of cities.

The term Corporate Social responsibility refers to the concept of business being accountable for how it manages the impact of its processes on stakeholders and takes responsibility for producing a positive effect on society.

## Why CSR at All?

https://allsemestermbanotes.blogspot.com/2017/05/why-csr-at-all-definition-and-example.html

Business cannot exist in isolation; business cannot be oblivious to societal development. The social responsibility of business can be integrated into the business purpose so as to build a positive synergy between the two.

- 1. CSR creates a favourable public image, which attracts customers. Reputation or brand equity of the products of a company which understands and demonstrates its social responsibilities is very high. Customers trust the products of such a company and are willing to pay a premium on its products. Organizations that perform well with regard to CSR can build reputation, while those that perform poorly can damage brand and company value when exposed. Brand equity, is founded on values such as trust, credibility, reliability, quality and consistency.
- **2**. Corporate Social Responsibility (CSR) activities have its advantages. It builds up a positive image encouraging social involvement of employees, which in turn develops a sense of loyalty towards the organization, helping in creating a dedicated workforce proud of its company. Employees like to contribute to the cause of creating a better society.

Employees become champions of a company for which they are proud to work.

- **3.** Society gains through better neighbourhoods and employment opportunities, while the organization benefits from a better community, which is the main source of its workforce and the consumer of its products.
- **4**. Public needs have changed leading to changed expectations from consumers. The industry/ business owes its very existence to society and has to respond to needs of the society.
- **5**. The company's social involvement discourages excessive regulation or intervention from the Government or statutory bodies, and hence gives greater freedom and flexibility in decision-making.
- **6**. The internal activities of the organisation have an impact on the external environment, since the society is an interdependent system.
- 7. A business organisation has a great deal of power and money, entrusted upon it by the society and should be accompanied by an equal amount of responsibility. In other words, there should be a balance between the authority and responsibility.
- **8.** The good public image secured by one organisation by their social responsiveness encourages other organizations in the neighbourhood or in the professional group to adapt themselves to achieve their social responsiveness.

- **9.** The atmosphere of social responsiveness encourages co-operative attitude between groups of companies. One company can advise or solve social problems that other organizations could not solve.
- **10.** Companies can better address the grievances of its employees and create employment opportunities for the unemployed.
- **11.** A company with its "ear to the ground" through regular stakeholder dialogue is in a better position to anticipate and respond to regulatory, economic, social and environmental changes that may occur.
- **12.** Financial institutions are increasingly incorporating social and environmental criteria into their assessment of projects. When making decisions about where to place their money, investors are looking for indicators of effective CSR management.
- **13.** In a number of jurisdictions, governments have expedited approval processes for firms that have undertaken social and environmental activities beyond those required by regulation.

The Corporate Social Responsibility Voluntary Guidelines issued by the MCA in December 2009 was the first step towards mainstreaming the concept of Business Responsibilities. Through these Guidelines, the Ministry urged the business sector to adopt the principles contained in the Guidelines for responsible business practices. The document also said that "after considering the experience of the adoption of these Guidelines by the Indian corporate sector and consideration of relevant feedback and other related issues, the Government may initiate the exercise for review of these Guidelines and further improvement after one year.

## Types of CSR

Corporate Social Responsibility initiatives are based on four different categories:

## **Ethical Responsibility**

Ethical responsibility is about looking after the welfare of the employees by ensuring fair labor practices for the employees and also the employees of their suppliers. Ethical labor practices for suppliers mean that the companies will ensure the use of products that have been certified as meeting fair trade standards. Ensuring fair labor practices for employees mean that there will be no gender, race or religious discrimination among the employees and each employee will be given equal pay for equal work and better living wage compensation.

Here, a good example can be Google. Google employees have high levels of job satisfaction because they are well compensated and well paid at work. The work environment at Google is supportive and the company looks after the well-being of its employees. Google offers free meal at work which saves a lot of money from their wages. Google gives its employees free access to campus cafes, micro kitchens and other options for breakfast, lunch, and dinner.

# Philanthropic Responsibility:

Philanthropic responsibility means to serve the humanity. This criterion pays attention to the well-being of the unprivileged or needy people who badly require our support to sustain on this planet. Companies fulfill their

philanthropic responsibility by donating their time, money or resources to charities and organizations at national or international levels. These donations are mainly given to a variety of worthy causes including human rights, national disaster relief, and clean water and education programs in underdeveloped countries.

No other business tycoon has fulfilled the philanthropic responsibilities better than Bill Gates. Bill Gates has donated billions of dollars to the Bill and Melinda Gates Foundation, which supports numerous causes including education, the eradication of malaria and agricultural developments etc.

# **Environmental Responsibility:**

Currently, we need to focus on two main areas of our environment: limiting pollution and reducing greenhouse gases. Companies are bound to fulfill their economic responsibility because awareness of environmental issues are growing largely among the consumers and today they want businesses to take necessary steps to save our planet and preserve all the lives in it. Companies that are concerned about reducing air, land and water pollution have increased their standing as good corporate citizens while benefiting the society.

An example of environmental responsibility is Tesla Motors that design cars combining style, acceleration and handling with advanced technologies in order to make it more environmental friendly and reduce pollutions. Tesla cars do not need gasoline refueling and it can be charged at home.

## **Economic Responsibility:**

Economic responsibility is an interconnected field which focuses to strike a balance between business, environmental and philanthropic practices. Economic responsibility abides by, the set standards of ethical and moral regulations. In this context, companies try to find out a solution which can facilitate their business growth and generate profits by benefitting the community and our society.

Here economic decisions are made by considering their overall effects on society and businesses at the same time. Hence, economic responsibility can improve business operations while engaging in sustainable practices.

Corporate Social responsibility has become a mandatory practice.

Corporations, business houses and entrepreneurs can improve their public image by supporting nonprofits through volunteerism and making monetary or materialistic donations to build strong partnerships with their consumers and the community alike. When these philanthropic efforts make headlines and get good media coverage, companies increase their chances of becoming favorable in the eyes of their consumers.

#### **Government Policies on CSR**

Corporate Social Responsibility Under The Companies Act, 2013

<u>Social Responsibility in India</u> to the forefront. It aims to promote greater transparency and disclosure. The Ministry of Corporate Affairs notified Section 135 and Schedule VII of the Companies Act 2013 as well as the Companies (Corporate Social Responsibility Policy) Rules, 2014 which

came into effect from April 1, 2014. The MCA further issued Circular No. 21/2014 and 36/2014 to clarify on certain matters. Notification making further amendments in Schedule VII was issued on August 2014 and Companies (Corporate Social Responsibility Policy).

Amendment Rules, 2015 were released on January 2015. The provisions of the Act and the Rules amended till July 2015 are given below-

It should be understood that CSR as defined in the Companies (Corporate Social Responsibility Policy) Rules to mean and include but not limited to:

-projects or programs relating to activities specified in the Schedule VII of the Act; or

-projects or programs relating to activities undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR policy subject to the condition that such policy covers subjects enumerated in the Schedule VII of the Act.

# **Corporate Social Reporting: [Mandatory Disclosure Requirements]**

It is mandatory for companies to disclose in Board's Report, an annual report on CSR. The report of the Board of Directors attached to the financial statements of the Company would also need to include an annual report on the CSR activities of the company in the format prescribed containing following particulars –

- A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
  - The Composition of the CSR Committee.
  - Average net profit of the company for last three financial years
  - Prescribed CSR Expenditure
  - Details of CSR spent during the financial year.
- o In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
- o A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company. If the company has been unable to spend the minimum required on its CSR initiatives, the reasons for not doing so are to be specified in the Board Report. If a company has a website, the CSR policy and the report containing details of such activities have to be made available on the company's website for informational purposes.

# Benefits of CSR towards Society

CSR is the way to show the human face of your business. Businesses deal with humans so you can only connect with them through human language by showing some humanity. For most businesses, it makes sense to get involved in progression of the community solely, depending on CSR initiatives related to your product or service.

CSR initiatives can be the best way to contribute to the society and its people. Through local or national charitable contributions businesses can help the society. Businesses can get involved in the society and help it to progress by taking social initiatives on behalf of the company such as investing in education programs for the poor and street children and homeless care activities for homeless people or refugees. They can support a local charity making financial contributions in effective charitable projects. If you are a restaurant owner you may provide food to local homeless groups or to orphanages free of cost.

Businesses can pay attention to material recyclability, develop better product durability and functionality and use more renewable resources at lesser costs to keep the environment as clean as possible and contribute to the ecology of the country.

When businesses decide to make positive contributions to the society they are actually benefitting the company in the process. The companies benefit through lower operating costs, increased sales and customer loyalty, greater productivity, gaining ability to attract and keep skilled employees, getting access to more capital through more willing investors etc.

CSR is the thoughtful and practical way to give back to the society. When businesses are walking extra miles to do good to the people, do good to the environment and society.

CSR has strong and direct impact on business performances as well. According to, CSR RepTrak® studies, if businesses improve their CSR perception, chances are higher that consumer recommendation will go up to 9% for the company.

Contributing to social value has become the first and foremost condition to creating a successful business. Companies need to establish themselves as socially responsible and good corporate citizens to add greater value to their business.

At present CSR holds no separate department at corporate houses and CSR professionals are housed in communications and PR departments which is an inappropriate practice. CSR experts suggest that it should be incorporated into every department of the company starting from supply chain, procurement, innovation, manufacturing, to HR so that company can reap a good harvest from the investments that it makes.

#### **CSR-** Case studies

Today almost all businesses are incorporating CSR initiatives in their business strategies to benefit the company, increase its sales and create a brand more appealing and friendly to the consumers by contributing to the society.

# 1. Tata Steel [TISCO] - A company that also makes steel

Tata Steel's Vision strikes a balance between economic value as well as ecological and societal value by aspiring to be "a Global Benchmark in Value Creation and Corporate Citizenship". In the initial years, Tata Steel's CSR interventions were more as a 'provider' to society where the community was given support for its

Overall needs, both for sustenance and development. Gradually, the shift in approach led to Tata Steel being an 'enabler' focusing on building community capacity through training programmes; focusing on providing technical support rather than giving aid. At present, CSR interventions of Tata Steel focus on 'sustainable development' to enhance the quality of life of people. It guides the Company in its race to excel in all areas of sustainability. J R D Tata the Chairman of the Tata Group believed that, "to create good working conditions, to pay the best wages to its employees and provide decent housing to its employees are not enough for the industry, the aim of an industry should be to discharge its overall social responsibilities to the community and the society at large, where industry is located." Guided by this mandate, Tata Steel has for decades uses its skills and resources, to the extent it can reasonably afford, to give back to the community a fair share of the product of its efforts.

The Company supports and propagates the principles of the United Nations Global Compact as a Founder Member, is a signatory to the World steel Sustainability Charter and supports the Affirmative Action programme of the Confederation of Indian Industry. Tata Steel's approach to business has evolved from the concept that the wealth created must be continuously returned to society. The responsibility of combining the three elements of society - social, environmental, and economic - is of utmost importance to the way of life at Tata Steel. Today, Tata Steel's CSR activities in India encompass the Company's Steel Works, Iron ore mines and collieries, reaching out to the city of Jamshedpur, its peri-urban areas and over 800 villages in the states of Jharkhand, Odisha and Chhattisgarh. Community involvement is a

characteristic of all Tata Steel Group companies around the world. It can take the form of financial support, provision of materials and the involvement of time, skills and enthusiasm of employees. The Group contributes to a very wide range of social, cultural, educational, sporting, charitable and emergency assistance programmes. The Company works in partnership with the Government, national and international development organisations, local NGOs and the community to ensure sustainable development.

The Corporate Services Division delivers these responsibilities through several institutionalised bodies:

- Tata Steel Corporate Social Responsibility and Accountability Policy
- Corporate Social Responsibility
- Tata Steel Rural Development Society (TSRDS)
- Tribal Cultural Society (TCS)
- Tata Steel Family Initiatives Foundation (TSFIF)
- Tata Steel Skill Development Society (TSSDS)
- Education
- Medical Services
- Urban Services
- Sports Department
- Tata Steel Adventure Foundation
- JUSCO

• Other societies like Ardeshir Dalal Memorial Hospital, Blood Banks, Kanti Lal Gandhi Memorial

Hospital etc.)

#### • Tata Relief Committee

To assess the effectiveness of its social initiatives Tata Steel has innovatively devised a Human Development Index (HDI). In 2012-13, HDI assessment was completed for 230 villages. The Corporate Social Responsibility Advisory Council was also created with the objective that this apex body along with the results of the measurement of HDI will enable the Group to direct its social initiatives better and allocate resources more efficiently

#### 2. NESTLE

Nestle has a great and positive tagline which completely upholds the brand's motto- "Good food. Good Life." This is not a mere tagline just used for promoting the brand. It actually summarizes their CSR initiatives and shows their commitment to the betterment of public health.

Nestle has made 41 public commitments to enhance the quality of life and ensure a healthier future for all. These commitments contribute to the UN's Sustainable Development Goals. The details of Nestlé's progressive CSR initiatives are published in their Annual Review of the company almost every year.

Nestle has struck the right balance between sustainable growth and efficiency, and creating long term value for the shareholders and society on the whole. In 2016 Nestle made operating profit up to 16% which

increased to 17.5% in the following years and now they are committed to expand the trading operating profit margin to 18.5% by 2020.

## **Social Marketing**

Social marketing seeks to develop and integrate marketing concepts with other approaches to social change. Social marketing aims to influence behaviors that benefit individuals and communities for the greater social good. Think about some of the biggest challenges that face the world today: health issues like obesity, or environmental problems like climate change. These issues are often caused by human behaviour, and so can only be tackled if people change their lifestyles and habits.

To give an idea of what is involved; here are eight features of social marketing.

#### 1. Behaviour

Social marketing *involves* trying to change people's actual behaviour – not just their attitudes or awareness.

#### 2. Customer orientation

As social marketers, we must stand in the shoes of the people whose behaviour we are trying to change. We need to understand their lives and their behaviours from their perspective, not based on what <u>we</u> might think or experience.

## 3. Theory

We use behavioural theories to help us understand behaviour and to inform the interventions that we develop.

## 4. Insight

We conduct research into the behaviours of the people we are interested in to develop actionable insights that inform the development of interventions to change their behaviour.

## 5. Exchange

Changing behaviour usually involves people giving something up (costs) to gain something else (benefits). We need to understand how people perceive rewards, benefits, costs and barriers associated with both desired and problem behaviours. We can then consider what might be done to incentivise the desired behaviour and disincentivise the problem behaviour.

## 6. Competition

In designing behaviour change interventions, we need to consider what else competes for our audience's time, attention, and their tendency to behave in a certain way.

# 7. Segmentation

Not everyone is the same, so a 'one size fits all' approach is rarely best. Good customer insight allows us to identify audience segments, grouping together people with common characteristics, and to tailor interventions accordingly.

#### 8. Methods mix

Social marketing – like commercial marketing – involves using all of the Marketing Mix i.e. the '7Ps': Product, Price, Place, Promotion, Process, Physical Evidence and People. It's about much more than just raising awareness.

## What social marketing is not

Social marketing shouldn't be confused with social media marketing, for example using <u>Facebook</u> and <u>Twitter</u>. Social media is simply a tool or channel that is sometimes used within social marketing.

According to Philip Kotler - Social Marketing is "the design, implementation, and control of programs seeking to increase the acceptability of a social idea or practise in a target group"

According to W. Smith, Academy for Educational Development - "Social Marketing is a process for influencing human behaviour on a large scale, using marketing principles for the purpose of societal benefit rather than commercial profit."

Social marketing is based on tools and techniques of commercial marketing, it uses principles of commercial marketing for the purpose of societal benefit. In social marketing, advertising campaigns are designed, implemented, and controlled by using the principles of commercial marketing. The key features of social marketing are taken directly from commercial marketing, but the purpose of social marketing differs form the purpose of commercial marketing. The purpose of commercial marketing is to increase sales and revenue, but it is not so in the case of social marketing.

The purpose of social marketing is societal benefit rather than commercial profit. Its purpose is to bring about positive health and social change. Its ultimate outcome is behavioural change rather than increased sales.

Social advertising campaigns are advertising tools that attempt to influence attitude and behaviour related to social cause. For example, social advertising campaigns have been used to influence behaviour related to energy conservation, pollution, tobacco prevention, family planning, breast cancer screening, and etc.

## How Social Responsibility in Marketing Works

Recyclable packaging, promotions that spread awareness of societal issues and problems, and directing portions of profits toward charitable groups or efforts are examples of social responsibility marketing strategies. For example, a clothing company's marketing team may launch a campaign that encourages consumers to buy a bundle of its socks versus one pair; for every bundle sold, the company donates a bundle of socks to military personnel overseas or to local homeless shelters. As a result of these donations, the company brands itself as socially responsible and ethical, which ultimately attracts customers who are engaged in socially responsible commitments and who want to support the welfare of the community.

Social platforms help you connect with customers, increase awareness about your brand, and boost your leads and sales. With more than three billion people around the world using social media every month, it's no passing trend.

Social marketing examples

Implementation: child car seats. Social marketing enables you to develop products, services and communications that fit people's needs and motivations. ...

Policy: water rationing. ...

Strategy: lung disease strategy. ...

Child car seats in Texas. ...

Water rationing in Jordan. ...

Consider the four "Ps" of marketing when designing your interventions.

#### The 4 P's

**Product**: Think about a tangible object or service you can provide to support or facilitate behaviour change. Can you offer a new product/service or adapt one that already exists? Product examples include in-home blood pressure monitoring kits, improved HIV tests, journals to plan and track food intake, cessation counselling.

**Price**: Consider interventions that would decrease the costs to the individual of taking the desired action (not only monetary cost, but emotional, psychological and time costs). List out the "price" or barriers for your audience segment to carry out the desired behaviour, then brainstorm interventions to diminish those barriers. For example, instituting a walking club program at the workplace for those who cite lack of support and lack of time as barriers to regular exercise.

**Place**: Think about where and when the audience will perform the behaviour or access the new or adapted product/service. How can you make it convenient and pleasant (even more so than the competing

behaviour)? Examples include placing condom vending machines in bar restrooms, offering help lines that are available 24 hours a day, having breastfeeding consultants check-in on new mothers after they leave the hospital. Also think about your "sales force" – the people that will take your program to the audience. Consider the need for peer educators, counsellors or others who can make your program or its activities more accessible.

Promotion: Use your market research to determine the communication channels and activities that will best reach your audience to promote the benefits of the desired behaviour. What advertising or public relations media do they pay attention to (e.g., radio, newspaper, postcard racks)? What special promotional items would they use (e.g., water bottles, refrigerator magnets, notepads)? What special events do/would they attend (concerts, health fairs, conferences)? How can you include influencing audiences? Be sure to promote the Product, Price and Place features that you want the audience to know about.

Social entrepreneurship is all about recognizing the social problems and achieving a social change by employing entrepreneurial principles, processes and operations. It is all about making a research to completely define a particular social problem and then organizing, creating and managing a social venture to attain the desired change. The change may or may not include a thorough elimination of a social problem. It may be a lifetime process focusing on the improvement of the existing circumstances.

While a general and common business entrepreneurship means taking a lead to open up a new business or diversifying the existing business, social entrepreneurship mainly focuses on creating social capital without measuring the performance in profit or return in monetary terms. The entrepreneurs in this field are associated with non-profit sectors and organizations. But this does not eliminate the need of making profit. After all entrepreneurs need capital to carry on with the process and bring a positive change in the society.

Along with social problems, social entrepreneurship also focuses on environmental problems. Child Rights foundations, plants for treatment of waste products and women empowerment foundations are few examples of social ventures. Social entrepreneurs can be those individuals who are associated with non-profit and non-government organizations that raise funds through community events and activities.

In the modern world, there are several well-known social entrepreneurs who have contributed a lot towards the society. The founder and manager of Grameen Bank, Muhammad Yunus is a contemporary social entrepreneur who has been awarded a Nobel Peace Prize for his venture in the year 2006. The venture has been continuously growing and benefiting a large section of the society.

Rang De is another brilliant example of a non-profit social enterprise. Established in the year 2008 by Ramakrishna and Smita Ram, it is an online platform from where rural and urban poor people in India can access micro-credits with an interest rate of as low as 2 percent per annum. Lenders from all across the country can directly lend money to borrowers, track investments and receive regular payments online.

The George Foundation is one more nationally recognized social enterprise. The Women's Empowerment Program creates awareness among women by providing them education, vocational training, cooperative farming, business development and savings planning. By employing the principles of social entrepreneurship, these organizations are addressing the social problems and bringing a positive change in the society.

There are several other organizations that are considered as a positive changemakers in the society. Echoing Green, The Canadian Social Entrepreneurship Foundation, Schwab Foundation for Social Entrepreneurship, The Skoll Foundation, NIKA Water Company, Newman's Own and Ashoka: Innovators for the Public are such organization that aim for bringing social change and continuously improving the existing conditions in the society.

The field of social entrepreneurship is rapidly growing and attracting the attention of numerous volunteers. It has now become a common term in university campuses. The reason behind the increasing popularity of this product is that individuals get to do what they have been thinking for long. The extraordinary people put their brilliant ideas and bring a change in society against all odds.

## Social Entrepreneurship - History

Social entrepreneurship is a kind of entrepreneurship initiative that aims at taking up a social problem for bringing about a transformation in the same. The person who takes up the challenge is called a social entrepreneur and he / she uses principle of entrepreneurship with the intent of creating social capital and not being essentially profit centered.

The aim of social entrepreneurship is to promote the cause of social and environmental goals that have an impact in either in the present or the times to come. Such entrepreneurs are generally a part of or associated in some way with some nonprofit organizations (NGO's). Although profit making is also as aspect of this concept but it may not be the sole purpose of the organization.

Andrew Mawson worked extensively upon the concept of social entrepreneurship and extended the same to bring about reform in the community structure. He also laid the foundation of the Bow center in east London. For this he was conferred upon the peerage of Lord Mawson and he works for developing partnerships for regeneration work initiated by him.

Social entrepreneurship is a relatively new term. It came in to notice just a few decades ago. But its usage can be found throughout the history. In fact, there were several entrepreneurs who established social enterprises to eliminate social problems or bring positive change in the society. Vinoba Bhave, the founder of India's Land Gift Movement, Robert Owen, the founder of cooperative movement and Florence Nightingale, founder of first nursing school and developer of modern nursing practices might be included in this category. They had established such foundations and organizations in 19th century that is much before the concept of Social Entrepreneurship used in management.

There were entrepreneurs during nineteenth and twentieth centuries who made efforts to eradicate social evils. Apart from this, there are many societies and organizations that work for child rights, women empowerment, save environment, save trees, treatment of waste products, etc. Apart from addressing the social issues, social entrepreneurship also includes recognition and addressing the environmental problems and financial issues for rural and urban poor.

These days, the concept of social entrepreneurship has been widely used and that too in different forms. The establishment of Grameen Bank by Muhammad Yunus, Ashoka: The Innovators for the Public by Bill Drayton, Youth United by Jyotindra Nath, Rand De by Ramakrishna and Smita Ram, SKS Microfinance by Vikram Akula and Roozi.com by Nick Reder, Brent Freeman and Norma La Rosa has popularized the term.

In fact, all big brands and companies are adopting the concept of social entrepreneurship and trying to address the issues in our society by opening schools in far flung areas, educating women for family planning,

making it possible for farmers and poor individuals to access low interest credits, establishing plants for waste treatment, planting trees and going green.

The concept of Social Entrepreneurship has also been included as a separate branch of management courses. Even youth is also looking forward to volunteering their services and brilliant ideas to bring a social change through social entrepreneurship.

### **Social Entrepreneurs**

According to Greg Dees, co-founder of the Centre for the Advancement of Social Entrepreneurship at Duke University and a member of the Impact Entrepreneurs advisory board –

'Social entrepreneurs are individuals with innovative solutions to society's most pressing social problems. They are persistent and ambitious, tackle major social issues and offer new ideas for a wide-scale change.'

Usually, people leave the societal needs to the government or the business sectors. However, social entrepreneurs tend to identify areas that are not working efficiently in the current system and solve the problem by changing it, spreading the awareness about the solution, and persuading people to be a part of the change.

As a common trait, social entrepreneurs are obsessed with their ideas and commit their lives to change. They are visionaries since they envision a society without the problems. Further, they are realists, since they concern themselves with the practical implementation of their vision.

They also present ideas which are user-friendly, ethical, and easily understandable and engage widespread support. This ensures that local people stand up, grab their idea and implement it. In simple words, every leading social entrepreneur is a mass recruiter of local change makers. He is a role model who tells people that their action can do anything. In the last two decades, social entrepreneurship has grown based on the understanding that a new idea in the hands of a good entrepreneur is a powerful tool.

### Why Social Entrepreneur?

Like regular business entrepreneurs change the face of business, social entrepreneurs work as the agents of change for the society. They seize opportunities that others miss, improve systems, invent new approaches and also create solutions to change society for the better. A business entrepreneur can create an entirely new industry. Similarly, a social entrepreneur can come up with new solutions to social problems, implement them on a large scale and change the face of society. Here are some examples of leading social entrepreneurs:

Susan B. Anthony (U.S.) - She fought for Women's Rights in the United States of America. Her fight included the right to control property and helped spearhead the adoption of the 19th Amendment to the Constitution.

*Vinoba Bhave (India)* – He was the founder and leader of the Land Gift Movement. Under this movement, he caused the redistribution of more than 7,000,000 acres of land to help India's untouchables and landless.

*Dr. Maria Montessori (Italy) –* She developed the Montessori approach to early childhood education.

Florence Nightingale (U.K.) – She was the founder of modern nursing. Further, she established the first school for nurses and fought to improve hospital conditions.

*Margaret Sanger (U.S.)* – She was the founder of the Planned Parenthood Federation of America. Under this federation, she led the movement for family planning efforts around the world.

*John Muir* (*U.S.*) – He was a naturalist and a conservationist. He established the National Park system and also helped found The Sierra Club.

*Jean Monnet (France)* – He was responsible for the reconstruction of the French economy following World War II. Further, his work included the establishment of the European Coal and Steel Community (ECSC).

## How social entrepreneurs play the role of change agents?

They adopt a mission to create and sustain social value (not just private value). Further, they recognize and relentlessly pursue new opportunities which serve the mission.

Also, engage in a process of continuous innovation, adaptation, and learning.

Further, act boldly without being limited by the resources in hand.

Finally, exhibit heightened accountability to the constituencies served and also the outcomes created.

Social enterprises tend to operate with a purpose of creating value for the society and also generate income (if not wealth). As a thumb rule, the solutions they offer are supposed to be innovative, unique, people and environment friendly; Cost effectiveness is also a huge consideration. All of these are challenges to the sustainability of social enterprises, but the ones that are able to scale these are the ones that are able to create a huge impact! They are the enterprises that are advantageous to the society, people and the environment.

Since social enterprises typically deal with people who live at the bottom of the pyramid, therefore they are the ones who are benefited to benefit hugely from the former. In other words social enterprises are beneficial to the poor, generally by providing them with a means of livelihood.

Since social enterprises do not work typically the way corporate setups or private firms work, they offer flexible working environment which is as per the liking of many people groups. This employment may be both short term and long term in nature or it may specially targeted to a specific workgroup or a geographic community or to people with disabilities. Self Employed Women's Association (SEWA), for example, offers various kinds of assistance to self employed poor women.

There are advantages of a social enterprise that are entrepreneur specific like:

Social entrepreneurs find it easier to raise capital. There are huge incentives and schemes from the government for the same. since the

investment industry here is ethical, it is easier to raise capital at below market rates.

Marketing and promotion for these organisations is also very easy. Since a social problem is being tackled with a solution, it is easier to attract attention of the people and media. The degree of publicity often depends on the degree of uniqueness of the solution.

It is easier to garner support from likeminded individuals since there is a social side to the enterprise. It is also easier to get people onboard at lower salaries than compared to other industry.

Similarly there are **advantages that are specific to the environment, society and the people concerned**. Some of them are as under:

Services in whichever section they may be offered are customized better to suit the needs of the individual or the problem. This is also designed in harmony with all other systems like the environment, society or the people.

Cost effectiveness is another advantage of a social enterprise. The solutions offered by these organisations in the form of either products or services are reasonable than compared to the same service provided by a profit making organisation. No wonder base amenities like healthcare, education etc have become very affordable to people world over with the help of these institutions. Micro finance, for example, today caters not to the poor but to the poorest!

Although lots of organisations have also made corporate social responsibility an integral part of their business functioning but not many actually mean to create a difference. It is just a means to achieve more

profits; there is an increasing need to watch out for the same and help and advocate those who really aim to add value.

Social business is a business that is aimed at addressing a social cause. The investment made by the investors is entirely with a vision of contributing to the social welfare and not profit entirely. The investor may however get back his money after a certain time and cover all the operational costs of the organization.

Although social business may be carried out in any area but sectors like healthcare, housing, nutrition, education, financial services to the poor and the down trodden remain the priority. Unlike profit making organizations, success in the field of social business is governed by the amount of impact it is able to create or the positive change it has been able to bring in the existing scheme of things.

As mentioned earlier, profit takes a back seat, but organizations into social business are not necessarily disallowed to make profits. Sustainability after all, of both the organization and the investor, is important and profit makes it possible. There is essentially, but, a cap on the amount of profits the organization can make and the profits are to be utilized in the business again. Generally, social businesses cannot make profits in excess of the actual investment.

In fact in Social Business, the line between profitability and social contribution is very difficult to maintain and it often so happens that social businesses become profit making organizations after a few years of operation. It therefore calls for renunciation of the corporate ways of

thinking, because what may start as a mole may end up becoming a mountain, 5 – 6 years down the line.

The term social business is often confused with social enterprise. Both are similar in many ways, yet distinct in others. In fact social business may be called as a component of social enterprise or one of the ways by which a social enterprise expresses itself. Moreover a social enterprise may receive funds from people, through grants or from the government, a social business cannot.

The concept of Social business was given by Muhammad Yunus, who essentially presented as an alternate model to capitalism. It was meant to overcome the shortcomings and failures of capitalism that focuses only on profit making and ignores or fails to address other sides of business. He created a new system where profit making and social businesses exist simultaneously. Also, the social businesses are not prevented from making profits. They are however not allowed to take dividends and reinvest the money earned as profit in the business to scale operations and give maximum benefit to maximum people.

As opposed to devising means to alleviate poor or a trickle down economic system to alleviate the poor, the concept of social business emphasizes an action based system where the poor participates in his / her growth. Prof. Muhammad Yunus used this to create Grameen Bank and disburse money to poor in the form of micro – credit without the condition of giving a property or asset as mortgage. This created opportunity for the poor and allowed for his participation in the free market thereby relieving him of the handicap of relying on the government for grants.

Finally there are two types of social businesses. The first type is the one that purely exists for tackling a social problem. The second type is the one that is owned by the poor and can make profits. The profits can then be distributed between the poor (those who run the business).

## The Role of Technology in Social Entrepreneurship

Social entrepreneurs are those who use innovative approaches to social problems such as poverty, lack of access to healthcare in the rural areas, difficulties in bridging the gap between employability and unemployed youth, and problems such as lack of access to credit for women. In these and other cases, technology plays a prominent role as not only is technology inherently innovative but increasingly, it has become cost effective to deploy technology to solve social problems.

## Examples of How Technology Powers Social Innovation

For instance, in many Third World countries, farmers need real-time updates on weather patterns as well as sowing schedules so that they can plan their harvest accordingly. Further, fisherpersons in coastal areas need to be intimated of approaching storms and hence, mobile based apps that can do this job are preferred. Apart from this, there are other examples such as having IT (Information Technology) enabled kiosks in rural areas in India wherein those people and the teenagers and the youth in particular can pick up valuable IT skills which would enhance their employability in future. Moreover, through the use of mobile apps, microcredit institutions and the people they finance can keep in touch with each other leading to better credit utilization as well as repayment.

#### The Mobile Revolution

The instances quoted above are just a fraction of how technology can help alleviate social problems. It is for these reasons that in recent years, social entrepreneurs have been stressing on using technology as part of their efforts at social innovation. Indeed, the fact that the mobile revolution has empowered the poor and the underprivileged more than others has been acknowledged by the UN (United Nations) which recently stated that there are more number of mobiles in the world than toilets or in other words, there are more chances of a person owning a mobile than he or she having access to toilets and sanitation. This means that technology can indeed enable, empower, and encompass the masses in their quest for a decent income and a healthy life.

### Bringing together all the Stakeholders

To continue the points made above, it has been common in many countries for drivers, handypersons, traders, and small businesspersons to use technology to connect with their customers as well as the other end of the spectrum which are their suppliers, owners, and middlepersons. In this way, technology allows the coming together of all stakeholders in the value chain so that everyone ultimately benefits. Though there have been concerns in recent months about technology also leading to safety and security concerns because of the anonymity and the potential for misuse, it needs to be mentioned that technology per se is value neutral meaning that it can be used both for good and bad purposes and it is up to the regulators and the users to monitor and regulate.

## Synergies and Economies of Scale

Considering the enabling and empowering role that technology plays, many non-profits are focusing exclusively in building and creating an ecosystem for innovators, funders, thought leaders, influencers, and the regulators on one hand and the beneficiaries, the intermediaries, the users, and the owners to come together in a giant electronic and digital umbrella where social innovation can take place and value created for all

and society in general. The power of technology in these cases is such that it creates synergies wherein the sum of the value created at each link in the value chain is greater than the parts. Further, technology allows social entrepreneurs to enable and empower the underprivileged to rapidly scale up thereby leveraging the benefits of the efficiencies provided by economies of scale. The twin aspects of synergy and economies of scale mean that innovation and innovative solutions can reach more people and create value that individually would take time and more resources.

### Email as an Example

For instance, before the advent of email, if you had to contact hundred people for a promotional campaign, you had to send hundred letters which even when they are typed or printed need to take into account the costs of sending them. However, with technology, all you need to do is customize the headers and the names of the persons and then with a single click of the mouse, all the people can be reached effortlessly and efficiently. In addition, you can reach anyone anywhere in the world anytime as well as everyone and everywhere and every time. This is just a basic example of how technology enables synergies and actualizes economies of scale.

# Society Benefits

Now consider if such use of technology comes to the aid of an underprivileged person setting up his or her own venture. Using mobile and internet technologies, not only can he or she aspire to reach a global audience thereby cashing in on the scale aspect but also offer a solution that is potentially cheaper and creates more value on a per unit of cost basis. Indeed, the example of entrepreneurs such as the Nobel Laureate

and Bangladeshi social entrepreneur, Mohammed Yunus who empowered rural women in his country to finance their small businesses by extending them microcredit who in turn formed groups and reached scale and leading to innovation creating value point to how a combination of technology and social innovation can feed into each other and ultimately benefit society.

Social entrepreneurs represent an exceedingly diverse cross-section of businessmen, both in the ways that they conduct business and in the goals that they're seeking to accomplish with their enterprises. They also differ both in the various means that they employ to enhance social wealth and the strategies that they utilize to facilitate those means. Social entrepreneurs work exceptionally hard to produce lasting solutions that will effect permanent change in the lives of the people they hope to impact. The following four are the most common types of social entrepreneurs:

### The Community Social Entrepreneur

This sort of social entrepreneur seeks to create ventures meant to serve the social needs of a community within a relatively narrow geographical area. These enterprises are generally structured around the active participation of people living within the served community.

This sort of entrepreneur has an advantage in that his ventures become ever more sustainable over time, as there are vested interests for all parties. One sometimes significant associated disadvantage is that decision-making may be a slower process due to the larger numbers of people involved.

## The Non-Profit Social Entrepreneur

These social entrepreneurs are more focused on social wealth than material wealth. Consequently, any profits made are reinvested into the business to facilitate the further expansion of services offered. For this sort of social entrepreneur, the social goal(s) are always more important than mere profit.

While the social entrepreneur is frequently better able to meet his social goals due to the more ready availability of funds, the very motivation to generate those monies may be correspondingly lower.

### The Transformational Social Entrepreneur

Here, the focus extends to the creation of an enterprise able to meet those social needs not adequately being met by governments and other businesses. These businesses occasionally evolve into institutions and the involved social entrepreneur must have the skills and capacity to administer a large team.

One advantage of being a transformational social entrepreneur is that it can be easier to recruit excellent volunteers. A not insignificant disadvantage is that it can be far more challenging to comply with an ever-larger web of interrelated rules, regulations, and politics.

## The Global Social Entrepreneur

The global social entrepreneur works toward complete transformation of a social system in order to meet major social needs and to change the very fabric of society worldwide. The scope of the global social entrepreneur is international and his aim is to create an enterprise that will stand the test of time.

If he's successful, the net advantage will be that neglected or inadequately-addressed social needs are met. The disadvantage is that there will be far more scrutiny on the business and how it conducts its affairs. If the enterprise fails to win the necessary support of the global community, all of its efforts will be for naught.

# Impact of Social Entrepreneurs in society

Entrepreneurs are risk takers. Earlier entrepreneurship was confined to wealthy few but with the start of digital age entrepreneurship has become more of a vocation than a lifestyle choice. There are different kinds of entrepreneurs some are those who bring radical change in the conventional business that we see around us and some are those who through their effort bring changes in the society they are called social entrepreneurs. They are the people who start business with an aim of solving social problems rather than building huge conglomerate to maximize profits. They work on a grass root level of the problem and come out with innovative solutions that can be used by the society. They integrate latest technology to develop products or services and make it affordable so that people with low income can easily afford them. Young people in developing countries like India are becoming more aware of social causes and how some of the pressing problems can be solved through social enterprises. With government of India bringing some favorable policies for social start-ups in its annual budget 2016 the social start-ups will further grow and flourish. In recent years many international trusts, billionaires have come forward to provide seed funds and mentorship to social enterprises who are engaged in building products and services that can change lives of rural populations.

Some of the most important issues that social Entrepreneurs can address globally to bring about real transformation are mentioned below.

#### 1. Food scarcity

The United Nations Food and Agriculture Organization estimates that about 795 million people of the world population are undernourished in 2014-2016. Though globally food produced every year is sufficient to feed everyone yet there is food scarcity at city, state, national and global level. There are many reasons for food scarcity like drought, extreme weather, uneven distribution of food, wastage of food due to lack of proper storage facilities etc. Social entrepreneurs and innovators across the world are working on solutions to face the issue head-on. They are taking help of latest technologies to accurately predict weather condition so that farmers can sow seeds at right time and also can protect their crops from extreme weather. They are also developing new water harvesting method to provide water in drought-stricken areas. A social start-up in India has developed solar conduction dryer that allows framer to dry fruits and vegetables and preserve it for longer duration. These are some of the ways social entrepreneurs can help solve reduce global food scarcity problem.

#### 2. Healthcare

In a 2015 report "Tracking universal health coverage" released by World Health Organization and The World Bank estimate that 400 million people globally do not have access to even basic healthcare services. Most of the people are from developing countries residing in rural areas. Essential healthcare services like child immunization, antiretroviral therapy, tuberculosis treatment, access to proper sanitation and antenatal care are not in the reach of poor people. Social entrepreneurs can help in offering basic healthcare services by using technology. From building auto-disabled syringe, providing nutritious meals, free medicine and better sanitation social enterprises are coming up with cost effective innovative solutions. Aravind Eye Hospital and Narayana Health are

great example of social enterprise where poor patients can afford world class medical facilities at a very nominal cost.

#### 3. Education

According to UNESCO at present there are 775 million adults and 122 million youth who are not literate. They lack basic education skills. Social entrepreneurs are making inroads in the education sector through their innovative approach. Many entrepreneurs are using technology to reach masses and empower them with necessary education skills. Some of them are forming a team of highly enthusiastic people who are passionate about education. Teach for India is one such initiatives that has helped scores of Indian children by imparting education. Some of the social enterprise in education sector is taking help of technology by providing mobile devices like tablet and laptop embedded with course content that can be accessed by people even without internet. Some are starting labs where children can have fun learning new things they can keep themselves engaged by practically doing things they see and read in books. Today social entrepreneurs are defying all odds to reach students and adults to educate them.

#### 4. Financial services

One of the most fundamental issues of the developing economy is availability of finance and financial services in the rural areas. There are no proper banks or financial institutions that can help poor people with loans. Some of the reasons why these people cannot procure loan include lack of collateral, lack of necessary documents and lack of money to open bank account. Social entrepreneurs are solving this problem by starting Microfinance companies and reaching to poor. These companies provide

basic loans and insurance to farmers, poor women, artisans at a very low interest rate and give them flexible payment option. This Microfinance scheme has given lease of life to many small time entrepreneurs in rural areas by helping their business, and creating job opportunities for local population. Technology has helped entrepreneurs to reduce cost, improve efficiency and reach more people with their services.

# The way forward

Today's social entrepreneurs are highly motivated and are ready to go that extra mile to come up with innovative solutions for the betterment of society. The technology will remain an indispensable part of future social enterprises. Timely funding, mentorship and favorable policies will help the social enterprise of the future to grow and flourish.

### **SOCIAL BUSINESS MODEL CANVAS**

The Social Business Model Canvas is a tool used to design, analyze, and communicate business models with a social or environmental mission at their core. It adapts the traditional Business Model Canvas, popularized by Alexander Osterwalder and Yves Pigneur, and adds elements specifically relevant to social enterprises and organizations that aim to create positive impact alongside profitability.

## <u>Detailed breakdown of the Social Business Model Canvas components:</u>

# 1. Customer Segments (Beneficiaries):

Identify the specific groups of people or communities that will directly benefit from your social business. These are the primary beneficiaries of the positive change your enterprise aims to create.

### 2. Value Proposition (Social Impact):

Clearly articulate the social or environmental problem you intend to address and the value your business offers to solve it. Describe the positive impact you seek to achieve.

## 3. Channels (Delivery and Distribution):

Determine the channels through which your product or service reaches the beneficiaries. This could include distribution networks, partnerships, or direct delivery methods.

# 4. Customer Relationships (Beneficiary Engagement):

Define how you will engage with your beneficiaries and build a relationship based on trust and collaboration. Highlight any community involvement or participation in the business model.

# 5. Revenue Streams (Financial Sustainability):

Outline the various sources of income for your social enterprise, including sales, grants, donations, or any other financial streams.

## 6. Key Resources (Social Impact Drivers):

Identify the critical assets and resources needed to deliver your social impact. This may include skilled workforce, partnerships, technologies, or unique methodologies.

## 7. Key Activities (Impact Delivery):

List the key activities your organization will undertake to create and deliver the intended social impact. These could include training, education, awareness campaigns, etc.

## 8. Key Partnerships (Collaborations):

Specify the external organizations, governments, NGOs, or other stakeholders you will collaborate with to enhance your social impact and business performance.

## 9. Cost Structure (Social Value Costs):

Outline the costs associated with creating and delivering your social impact, including both monetary expenses and non-monetary resources.

## 10. Impact Measurement (Metrics and Indicators):

Develop a system to measure and track the social or environmental impact of your business. Identify the key metrics and indicators that demonstrate your progress and success.

By using the Social Business Model Canvas, social entrepreneurs and organizations can better understand their social impact, identify potential challenges, and design a sustainable and effective business model to achieve their mission. It also aids in communicating the essence of the social enterprise to stakeholders, investors, and supporters, fostering greater collaboration and support for the cause.

The Social Business Model Canvas, developed by Alexander Osterwalder and Yves Pigneur, is a valuable tool for social entrepreneurs and organizations looking to create positive impact while maintaining financial sustainability. Like any framework, it comes with its set of advantages and disadvantages:

# **Advantages:**

**1. Focus on Social Impact:** The Social Business Model Canvas places a strong emphasis on social or environmental impact. It helps organizations clearly define their social mission and align all business elements to achieve that mission effectively.

- **2. Integration with Business Model Canvas:** The Social Business Model Canvas is an adaptation of the traditional Business Model Canvas. This means that businesses can use it in conjunction with the original canvas, making it easier to transition from a traditional business model to a social enterprise or combine both elements in a hybrid model.
- **3. Holistic Approach:** It provides a holistic view of the social enterprise, enabling entrepreneurs to understand how each component contributes to the overall impact and financial sustainability. This comprehensive perspective helps in strategic decision-making.
- **4. Engagement and Collaboration:** The canvas fosters engagement and collaboration among stakeholders, including beneficiaries, partners, investors, and employees. It encourages dialogue and participation in achieving the social mission.
- **5. Clarity in Communication:** The visual nature of the canvas simplifies communication, making it easier for stakeholders to understand the business model, social impact, and how the enterprise operates.
- **6. Adaptability:** The canvas is adaptable and can be customized to suit the needs of different social enterprises, regardless of their size, sector, or geographic location.

### **Disadvantages:**

- 1. Simplicity vs. Complexity: While the simplicity of the canvas is an advantage, it may also be a limitation for more complex social enterprises. Certain business models may have intricate social impact mechanisms that can't be fully captured in the canvas.
- **2. Limited Prescriptive Guidance:** The canvas is a framework, not a step-by-step guide. Some social entrepreneurs may struggle with translating the canvas components into specific actions, particularly if they are new to the field.
- **3. Impact Measurement Challenges:** Though the canvas includes an impact measurement component, defining and measuring social impact can be challenging for many social enterprises. There is no one-size-fits-all approach to measuring social impact.
- **4. Overlooking Ethics:** While the canvas emphasizes social impact, it may not explicitly address ethical considerations in the business model. Some social enterprises might need to supplement the canvas with ethical frameworks to ensure responsible practices.

**5. Risk of Oversimplification:** Attempting to fit a complex social enterprise into a one-page canvas might oversimplify certain aspects, leading to important elements being overlooked.

In conclusion, the Social Business Model Canvas offers a practical and concise tool for social entrepreneurs to design, analyze, and communicate their business models effectively. However, it's essential to recognize its limitations and complement it with other tools and methodologies when necessary to address specific challenges and complexities.

**Applying the Social Business Model Canvas** developed by Alexander Osterwalder and Yves Pigneur involves a step-by-step process to design, analyze, and communicate your social business model. Here's a guide on how to use the tool effectively:

#### 1. Understand Your Social Mission:

Clearly define the social or environmental problem your business aims to address. Understand the impact you want to create and the beneficiaries you seek to serve.

#### 2. Familiarize Yourself with the Canvas:

Get acquainted with the different components of the Social Business Model Canvas. Understand how each section contributes to the overall picture of your social enterprise.

#### 3. Gather a Diverse Team:

Bring together a diverse team of stakeholders, including employees, beneficiaries, partners, and investors. Collaborative input from various perspectives will enrich the canvas and improve the overall business model.

### 4. Start Filling Out the Canvas:

Begin filling out the canvas, section by section. Start with the Customer Segments and Value Proposition, as these form the foundation of your social business model.

## 5. Identify Beneficiaries:

Clearly define the target beneficiaries of your social enterprise. Be specific about who will directly benefit from your product or service.

## 6. Define Your Social Impact:

Articulate the social or environmental impact your business aims to create. Describe the positive change you seek to achieve and how it aligns with your social mission.

# 7. Identify Revenue Streams:

Determine the various sources of income for your social enterprise. These could include sales revenue, grants, donations, or other financial streams.

## 8. Describe Impact Delivery:

Outline the key activities your organization will undertake to create and deliver the intended social impact. This could involve providing training, education, awareness campaigns, or any other impact-related activities.

## 9. Identify Key Partnerships:

Specify the external organizations, stakeholders, or partners you will collaborate with to enhance your social impact and business performance. Highlight any community or beneficiary involvement in these partnerships.

#### 10. Determine Cost Structure:

Identify the costs associated with creating and delivering your social impact. This includes both monetary expenses and non-monetary resources required to achieve your social mission.

# 11. Engage in Impact Measurement:

Develop a system to measure and track the social or environmental impact of your business. Identify the key metrics and indicators that demonstrate your progress and success in achieving your social goals.

#### 12. Iterate and Refine:

The canvas is not a static document; it should evolve as your social enterprise grows and learns. Continuously review, iterate, and refine your business model based on feedback, data, and changing circumstances.

#### 13. Communicate Your Model:

Use the completed canvas to communicate your social business model to stakeholders, investors, employees, and partners. The visual nature of the canvas makes it easier to convey your mission and strategy concisely.

Remember that the Social Business Model Canvas is a tool to guide your thinking and decision-making. It should be supplemented with detailed business plans, impact assessments, and ethical considerations to create a comprehensive and sustainable social enterprise.

Certainly! Let's consider an example of a social enterprise that aims to provide clean and affordable drinking water to rural communities in a developing country using a decentralized water purification system. Here's how the Social Business Model Canvas for this enterprise might look:

## 1. Customer Segments (Beneficiaries):

- Rural communities in the developing country without access to clean and safe drinking water.

## 2. Value Proposition (Social Impact):

- Provide clean and affordable drinking water to improve the health and well-being of the rural population.
- Reduce waterborne diseases and infant mortality rates in these communities.

# 3. Channels (Delivery and Distribution):

- Establish water purification kiosks in key locations within the target communities.
- Use community health centers and local NGOs to distribute and promote the service.

# 4. Customer Relationships (Beneficiary Engagement):

- Conduct community engagement workshops to raise awareness about the importance of clean drinking water and the benefits of the water purification system.
- Foster a sense of ownership and involvement among community members by including them in decision-making processes.

## 5. Revenue Streams (Financial Sustainability):

- Charge a nominal fee for the purified water, making it affordable for the community members.
- Seek funding from grants, impact investors, and corporate social responsibility initiatives.

## 6. Key Resources (Social Impact Drivers):

- Water purification technology and equipment.
- Skilled operators and technicians to maintain and operate the purification systems.
  - Partnerships with local NGOs and community health centers.

# 7. Key Activities (Impact Delivery):

- Set up and maintain water purification kiosks.
- Train community members to operate and maintain the purification systems.

- Monitor water quality and ensure adherence to safety standards.

### 8. Key Partnerships (Collaborations):

- Partner with local NGOs and community leaders to understand the specific needs and challenges of the target communities.
- Collaborate with government agencies for regulatory support and potential funding opportunities.

### 9. Cost Structure (Social Value Costs):

- Water purification equipment and technology costs.
- Staff salaries and training expenses.
- Marketing and outreach costs.

# 10. Impact Measurement (Metrics and Indicators):

- Number of people with access to clean drinking water.
- Reduction in waterborne diseases and related healthcare costs.
- Community satisfaction and feedback.

By using the Social Business Model Canvas, this water purification social enterprise can strategically plan its operations, assess its social impact, and communicate its business model to stakeholders, potential investors, and supporters. This canvas helps align the organization's efforts with its social mission while ensuring financial sustainability for long-term success.