

### MGT 1022 - Lean Start-up Management

### **Assignment-I**

### **WINTER SEMESTER 2018-19**

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Explain the CSR activities performed by any two organisations (one Indian + one Global)



### **Tata Group & CSR activities**

Ranging from steel, automobiles and software to consumer goods and telecommunications the Tata Group operates more than 80 companies.

It has around 200,000 employees across India and thus has the pride was trained as an architect at New York's Cornell University but he chose to enter the family business .He assumed the Chairmanship of the Group in 1991. Named Business Man of the Year for Asia by Forbes in 2004, Mr. Ratan Tata serves on the board of the Ford Foundation and the program board of the Bill & Melinda



Gates Foundation's India AIDS initiative. Tata Group chairman Ratan Naval Tata has stepped down to pass on the entire responsibility to Cyrus Mistry. Under Tata, the group went through major organisational phases — rationalisation, globalisation, and now innovation, as it attempts to reach a reported \$500 billion in revenues by 2020-21, roughly the size of what Walmart is today.

Approximately two third of the equity of the parent firm, Tata Sons Ltd., is held by philanthropic trusts endowed by Sir Dorabji Tata and Sir Ratan Tata, sons of Jamsetji Tata, the founder of todays Tata empire in the 1860s. Through these trusts, Tata Sons Ltd. utilizes on average between 8 to 14 percent of its net profit every year for various social causes. Even when economic conditions were adverse, as in the late 1990s, the financial commitment of the group towards social activities kept on increasing, from Rs 670 million in 1997-98 to Rs 1.36 billion in 1999-2000. In the fiscal year 2004 Tata Steel alone spent Rs 45 crore on social services.

Tata is accredited to initiate various labour welfare laws. For example- the establishment of Welfare Department was introduced in 1917 and enforced by law in 1948; Maternity Benefit was introduced in 1928 and enforced by law in 1946. A pioneer in several areas, the Tata group has got the credit of pioneering India's steel industry, civil aviation and starting the country's first power plant. It had the world's largest integrated tea operation. It is world's sixth largest manufacturer of watches (Titan).

### **Recognition of CSR**

—In a free enterprise, the community is not just another stakeholder in business but is in fact the very purpose of its existence."

- Jamsetji Nusserwanji , Tata Founder, Tata Group.

"Corporate Social Responsibility should be in the DNA of every organization. Our processes should be aligned so as to benefit the society. If society prospers, so shall the organization..." - Manoj Chakravarti, G M - Corporate Affairs & Corporate Head - Social Responsibility, Titan Industries, Limited in 2004.

Corporate Social Responsibility has always been taken care of by the Tata group. The founder Mr. Jameshji Tata used to grant scholarships for further studies abroad in 1892. He also supported Gandhiji's campaign for racial equality in South Africa.

Tata group has given country its first science center and atomic research center. "The wealth gathered by Jamsetji Tata and his sons in half a century of industrial pioneering formed but a minute fraction of the amount by which they enriched the nation. Jamshed Irani, Director, Tata Sons Ltd, says, "The Tata credo is that 'give back to the people what you have earned from them'. So from the very inception, Jamshetji Tata and his family have been following this principle." (a statement on the Tata group's website www.tata.com).

In July 2004, B. Muthuraman, Managing Director, Tata Steel Limited (TISCO) announced that in future TISCO would not deal with companies, which do not conform to the company's Corporate Social Responsibility (CSR) standards. Speaking at the annual general meeting of the Madras Chamber of Commerce and Industry, He stated, "We will not either buy from or sell to companies that do not measure up to Tata Steel's social responsibility standards.

### **CSR Activities of Tata Companies & Societies**

Through the following companies and societies Tata group keeps on heading towards the fulfillment of corporate social responsibility –

#### **Tata Steel**

Tata Steel has adopted the Corporate Citizenship Index, Tata Business Excellence Model and the Tata Index for Sustainable Development. Tata Steel spends 5-7 per cent of its profit after tax on several CSR initiatives.

### (a) Self-Help Groups (SHG's)

Over 500 self-help groups are currently operating under various poverty alleviation programs; out of which over 200 are engaged in activities of income generation thorough micro enterprises. Women empowerment programs through Self-Help Groups have been extended to 700 villages. From the year 2003 to

2006, the maternal and infant survival project had a coverage area of 42 villages in Gamharia block in Seraikela Kharsawa and a replication project was taken up in Rajnagar block.

For providing portable water to rural communities 2,600 tube wells have been installed for the benefit of over four Lakh people.

## (b) Supports Social Welfare Organizations

Tata Steel supports various social welfare organizations. They include;

#### (c) Healthcare Projects

In its 100th year, the Tata Steel Centenary Project has just been announced. The healthcare projects of Tata Steel include facilitation of child education, immunization and childcare, plantation activities, creation of awareness of AIDS and other healthcare projects.

### (d) Economic Empowerment

A program aiming at economic empowerment through improvised agriculture has been taken up in three backward tribal blocks in Jharkhand, Orissa and Chhattisgarh. An expenditure of Rs 100 crore has been estimated for the purpose and this program is expected to benefit 40,000 tribal living in over 400 villages in these three States.

### (e)Assistance to government

Tata Steel has hosted 12 Lifeline Expresses in association with the Ministry of Railways, Impact India Foundation and the Government of Jharkhand. It has served over 50,000 people. Five thousand people have got surgical facilities and over 1,000 people received aids and appliances. Over seven lac rural and another seven Lac urban population have been benefited by the CSR activities of Tata Steel.

The National Horticulture Mission program that has been taken up in collaboration with the Government of Jharkhand has benefited more than a thousand households. In collaboration with the Ministry of Non Conventional Energy and the Confederation of Indian Industry, focus is laid on renewable energy aiming at enhancing rural livelihood.

#### Tata Motors:

#### (a) Pollution Control

Tata Motors is the first Indian Company to introduce vehicles with Euro norms. Tata Motors' joint venture with Cummins Engine Company, USA, in 1992, was a major effort to introduce emission control technology in India. To make environment friendly engines it has taken the help of world-renowned engine consultants like Ricardo and AVL. It has manufactured CNG version of buses and also launched a CNG version of its passenger car, the Indica. Over the years, Tata Motors has also made investments in the establishment of an advanced emission-testing laboratory.

#### (b) Restoring Ecological Balance

Tata Motors has planted 80,000 trees in the works and the township and more than 2.4 million trees have been planted in Jamshedpur region. Over half a million trees have been planted in the Poona region. The company has directed all its suppliers to package their products in alternate material instead of wood. In Pune, the treated water is conserved in lakes attracting various species of birds from around the world.

#### (c) Employment Generation

Relatives the employees at Pune have been encouraged to make various industrial cooperatives engaged in productive activities like re-cycling of scrap wood into furniture, welding, steel scrap baling, battery cable assembly etc. The Tata Motors Grihini Social Welfare Society assists employees' women dependents; they make a variety of products, ranging from pickles to electrical cable harnesses etc; thereby making them financially secure.

### (d) Economic Capital

In Lucknow, two Societies - Samaj Vikas Kendra & Jan Parivar Kalyan Santhan have been formed for rural development & for providing healthcare to the rural areas. These societies have made great efforts for health, education and women empowerment in rural areas.

### (e) Human Capital

Tata motors has introduced many scholarship programs for the higher education of the children. Through a scholarship program Vidyadhanam, the company supports 211 students. Out of these students 132 students are from the marginalized sections of the society. These students get books, copies and other study materials. They also undergo different kinds of workshops, creative & outdoor sessions and residential camps as well.

#### (f) Natural Capital

On the World Environment Day, Tata Motors has launched a tree plantation drive across India and countries in the SAARC region, Middle East Russia and Africa. As many as 25,000 trees were planted on the day. Apart from this more than 100,000 saplings were planted throughout the monsoon.

#### Tata Tea

Tata Tea has been working hard since the 1980s to fulfill the needs of specially-abled people. It has set up the Srishti Welfare Centre at Munnar, Kerala; its various programs provide education, training and rehabilitation of children and young adults with special needs.

Srishti has four projects:

- a) The DARE School
- b) The DARE strawberry preserve unit
- c) Athulya
- d) Aranya.

Tata Tea's welfare officers help identify and encourage relatives or children of employees who are handicapped to join the Welfare Centre for special education and rehabilitation.

#### a.The DARE

It provides the students with training in basic academics, self-help skills and skills like gardening, cooking, weaving etc. Children are taught to paint and some of the paintings are printed and sold as greeting cards. The sales proceeds of which are used back into the units. b.The DARE strawberry

It preserves unit trains youngsters to make natural strawberry preserve. The trainees are paid for the work; they receive social cover, free medical aid and other benefits. c.Athulya

It has two units -

- (i) A vocational training center that imparts training in stationery-making
- (ii) A handmade paper-making unit which trains physically challenged persons in the art of making recycled paper

### d.Aranya

This project was started to nurture the lives of the disabled and also to revive the ancient art of natural dye. Individuals are given training in various natural dyeing techniques including block printing, tie and dye, batik work, etc. Their products are sold in and outside the country

Tata Tea's Jaago Re! Campaign exemplifies the Social-Cause Marketing Initiatives .

#### Titan

Corporate social responsibility is a basic element of TITAN Group's governing objective and one of its corporate values. In its corporate philosophy CSR is defined as doing less harm and more good by adopting the following practices:

Titan has employed 169 disabled people in blue collar workforce at Hosur.

### **TISCO**

TISCO was awarded The Energy Research Institute (TERI) award for Corporate Social Responsibility (CSR) for the fiscal year 2002-03 in recognition of its corporate citizenship and sustainability initiatives. As the only Indian company trying to put into practice the Global Compact principles on human rights, labor and environment, TISCO was also conferred the Global Business Coalition Award in 2003 for its efforts in spreading awareness about HIV/AIDS.

#### **TELCO**

TELCO, Puna has started community development activities for the benefit of TELCO families and local residents in 1973 with the following objectives:

- 1. To create social awareness in all the employees and their families, to promote congenial mutual relations amongst them, to improve personal and environmental hygiene and health
- 2. To help the families of employees develop better living standards by organizing extension education programs, training in various trades/skills and providing opportunities to earn additional income. TELCO is fighting against Leprosy at Jamshedpur.

#### **Tata Consultancy Services (TCS)**

that make for strong corporate sustainability at TCS include the following: A fair, transparent corporate governance, a strong strategy for long-term growth ,Best-in-class HR processes, initiatives for community betterment and welfare.

In 2010-11, TCS supported its local communities in the United States: supported the victims of the 2010 Chilean earthquake, conducted IT educational programs for high school students in Cincinnati , raised support and awareness for diabetes prevention through a series of marathon sponsorships

Tata Consultancy Services runs an adult literacy program. Indian government launched Saakshar Bharat,

aimed at female literacy aims to make literate 70 million people, of which at least 85 percent are women literate and the program has already been rolled out in 167 districts across 19 states.

#### **Tata Archery Academy**

The Tata Archery Academy was established in Jamshedpur in 1996. The academy has all the training facilities like highly efficient coaches, archery grounds, equipment from India and abroad. It also provides hostel and multi gymnasium facilities for its cadets. After a rigorous selection process being carried all over India, the Academy selects boys and girls between the age group of 13 to 18 years for the four years course and it provides the training during which the cadets are also imparted with formal education. Some of the major championships where the of the Tata Archery Academy cadets have participated and have won several medals are Junior world Archery Championship, Senior World

Archery Championship, Asian Archery Championship, Commonwealth Games and Asian Games.

#### **TOMS**

Tata Quality Management Services (TQMS - a division of Tata Sons) had been entrusted with the task of institutionalizing the Tata Business Excellence Model (TBEM). The TBEM provides each company with a wide outline to help it improve business performance and attain higher levels of efficiency and productivity. It aims to facilitate the understanding of business dynamics and organizational learning. TBEM is a \_customized-to-Tata' adaptation of the globally renowned Malcolm Baldrige model. TBEM model focuses on seven core aspects of operations: leadership, strategic planning, customer and market focus, measurement, analysis and knowledge management, human resource focus, process management and business results.

Performance is measured in absolute points; companies have to achieve a minimum of 500 points (out of 1,000) within four years of signing the BEBP agreement.. TQMS helps Tata companies use the model to gain insights on their business strengths and opportunities for improvement. This is managed through an annual process of assessment and assurance. The model, through its regular and calibrated updates, is used by Tata companies to stay in step with the ever-changing business environment.

### TBEM based performance excellence goals:

Basically TBEM Criteria is designed to help organizations use an integrated approach to performance management that results in delivery of ever-improving value to customers and stakeholders, contributing to organizational sustainability improvement of overall organizational effectiveness organizational and personal learning .

#### **TCSRD**

Tata Chemicals Limited (TCL) set up the Tata Chemicals Society for Rural Development (TCSRD) in 1980 to promote its social objectives for the communities in and around Mithapur, where its facility is located. This service was further extended to the communities in and around its Babrala and Haldia facilities.

Through Tata Chemicals Society for Rural Development (TCSRD) Tata Chemicals works to improve the quality of life of the people and communities. It also aims at supporting sustainable development, which is the central theme of the company's corporate philosophy. It works to protect and nurture the rural populations in and around TCL's facilities, and assists people in attaining self-sufficiency in natural resource management, livelihood support. It also aims at the building of health and education infrastructure i.e. schools and hospitals, maternity centers etc.

The initiatives that TCSRD is involved in include:

- a) Agricultural development
- b) Animal husbandry
- c) Watershed development
- d) Education
- e) Rural energy
- f) Women's programs
- g) Relief work

#### **Tata Relief Committee**

Tata Relief Committee (TRC) works to provide relief at disaster affected areas. During natural calamities there are two phases of assistance - (a) relief measures and (b)

rehabilitation program. After the Gujarat earthquake the group built 200 schools in two years and they rendered help during the Orissa floods when people lost cattles. Even after the Tsunami disaster members of TRC immediately reached the places and supplied the things required.

### **Tata Council for Community Initiatives (TCCI)**

TCCI was established in 1994. TCCI's mission states: "We will work together to be, and to be seen as, a group which strives to serve our communities and the society at large". TCCI is also involved in assisting Tata companies maintain sustainability reporting the guidelines of Global Reporting Initiative (GRI). It is the focal point for the UN Global Compact in India, which has 42 Tata companies as signatories, the highest in the world from a single business group.

In collaboration with the United Nations Development Programme (India), TCCI has crafted the Tata Index for Sustainable Human Development, aiming at directing, measuring and enhancing the community work that Tata enterprises is undertaking for the upliftment and welfare of the people.

### **Tata Corporate Sustainability Policy**

"No success or achievement in material terms is worthwhile unless it serves the needs or interests of the country and its people.

- J R D Tata

The corporate policy of the group encompasses the sustainable development of all the stakeholders. The major points included in the corporate policy are following: arrangements that will combat larger issues like climate change and global warming empowerment of women and youth, employee volunteering.

- Dedications to the Nation at a Glance
- Tata Health Infrastructure
- Tata Educational Infrastructure like Institute of mathematics, Sukinda college, Joda college centenary Learning centre at XIMB, J N Tata Technical Education centre
- Tata Sports Infrastructure



# **Wells Fargo**

Wells Fargo & Company (NYSE: WFC) is a diversified, community-based financial services company with \$1.8 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through 8,800 locations, 13,000 ATMs, the internet (wellsfargo.com) and mobile banking, and has offices in 36 countries to support customers who conduct business in the global economy. With approximately 269,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 30 on Fortune's 2015 rankings of America's largest corporations. In 2015, Wells Fargo donated \$281.3 million to support social, economic, and environmental initiatives and causes and Wells Fargo team members volunteered 1.86 million hours in their communities. Wells Fargo's vision is to satisfy our customers' financial needs and help them succeed financially. Wells Fargo perspectives are also available at Wells Fargo Stories and Wells Fargo Blogs.

# Corporate social responsibility at Wells Fargo

At Wells Fargo, corporate social responsibility (CSR) is a core element of the company's vision and values. Our CSR initiatives support our vision to help all of our customers and communities succeed financially.

Our CSR strategy is defined by five strategic focus areas:

- Environmental sustainability
- Product and service responsibility
- Community investment
- Ethical business practices
- Team member engagement

These five areas, which have corresponding goals through 2020 (see pages 12–13), closely align our unique combination of values, expertise, resources and scale with the needs of our stakeholders and communities. As our customer base and locations has expanded throughout the U.S. and internationally, so has customer, public, legislative and regulatory expectations regarding our role in helping to solve economic, social and environmental challenges. We're making progress toward many of our goals, but we recognize our strategy must continue to evolve. In 2013, we conducted an assessment to better understand the social, economic and environmental topics most important to the business value of our company and our key stakeholders. We conducted our last assessment in 2009. We used a combination of

interviews with Wells Fargo senior leaders and industry benchmarking information to prioritize topics with the most significant impact on our company's long-term business success and our key stakeholders: team members, customers, communities, governments/regulators, non-governmental organizations (NGOs), and investors. We engaged Ceres, an advocate for sustainability leadership, to facilitate sessions with key stakeholders, including NGOs and socially responsible investors, who provided feedback on our content and insights. We developed a matrix that ranks and prioritizes the issues considered most relevant — in terms of concern by our stakeholders and impact on our company. Our assessment revealed that we need a more strategic focus on three, business imperatives which are highly interconnected.

- Social: Expand our efforts to meet the changing financial and social needs of our increasingly diverse customers, workforce and supply chain.
- Economic: Improve human well-being and social equity by investing in underserved and underbanked communities and exploring new ways to expand their access to high-quality and responsible financial products, services, education and solutions.
- Environmental: Accelerate the transition to a "greener" economy and more sustainable communities by financing renewable energy, clean technology, and other environmental opportunities, while enhancing the environmental performance of our operations. We're currently working to refine our core business strategies and goals for CSR as well as prepare for changes in CSR reporting based on updated guidance from the Global Reporting Initiative.

# **Key Commitments**

## Diversity and social inclusion

Wells Fargo's 2020 social commitments enhances its ability to meet the needs of an increasingly diverse customer base and promote an inclusive, engaged culture. The company will also expand opportunities for diverse customers, suppliers, and talent. Goals include:

- Donating \$100 million to meet critical social needs such as advancing social inclusion through education, and developing women and diverse leaders
- Investing in emerging technologies and innovative solutions to address the needs, values and preferences of diverse customers
- Spending 15 percent of procurement dollars with diverse suppliers and building capacity through diverse supplier development
- Expanding opportunities for women and diverse talent, including a goal to increase military veteran team members from 8,200 to 20,000

### **Economic Empowerment**

Wells Fargo's 2020 economic commitments focuses on strengthening individual financial knowledge and improving economic opportunities in underserved communities through products, services and financial tools. The goals include:

 Providing \$500 million in philanthropic giving to critical economic needs such as financial education, and affordable housing

- Extending \$150 billion in mortgage originations to minority households and \$70 billion in mortgage originations to low-to moderate-income households through retail and correspondent networks
- Providing homebuyer education and down payment assistance to more than 4,000 lower-income homebuyers through LIFT programs, bringing total homeowners created to more than 15,000 by 2020
- Helping to build and improve 1,000 homes by 2020 in support of affordable housing initiatives serving low-and moderate-income households, including for seniors, veterans, and families
- Offering \$75 million in grants and lending to help diversed own small business access capital and technical assistance
- Providing 12 million customers with credit scores and support for managing overall financial health

# **Environmental Sustainability**

Wells Fargo's 2020 environmental commitments is focused on accelerating the planet's transition to a lower-carbon economy and reducing the impacts of climate change on communities and customers. Wells Fargo will enhance its operational efficiency as well as advance clean technology and environmental solutions through philanthropy and financing. Goals include:

- Providing \$65 million in philanthropic giving to critical environmental needs such as clean technology, and environmental education
- Purchasing renewable energy to power 100 percent of our operations by 2017 with a transition to long-term agreements that fund new sources of green power by 2020
- Reducing water use by 65 percent and increasing energy efficiency by 40 percent (2012-2020) and reducing greenhouse gas emissions by 45 percent (2008-2020)
- Continuing to finance and invest in sustainable business opportunities; and developing new products and solutions to address critical environmental needs

"Our strategy is focused on three priorities that we believe offer the greatest value to our business and society: diversity and social inclusion, economic empowerment, and environmental sustainability," said Jon Campbell, head of Government and Community Relations for Wells Fargo. "We're great believers in setting goals. They play a critical role in helping us advance our CSR priorities across our business and geographies, and enable us to report on our progress in a more concrete and transparent manner."

### 2015 Corporate Social Responsibility Report

Wells Fargo also noted significant achievements thus far in its 2015 Corporate Social Responsibility Report which details the company's performance and progress across multiple areas. Wells Fargo:

- Donated \$281.3 million to 16,300 nonprofits to support critical community needs
- Reduced water use 47 percent and increased operational energy efficiency 26 percent since 2012
- Achieved a 30 percent reduction in greenhouse gas emissions since 2008
- Provided more than \$52 billion in financing to environmental beneficial businesses since 2012
- Invested \$7.6 billion in community development projects in low- and moderate-income areas
- Hired more than 1,500 veterans, for a total of 8,200 self-identified veteran team members
- Spent 12 percent or \$1.2 billion of its procurement budget with diverse suppliers
- Provided \$68.5 million in financial education, jobs assistance, and home donations for military members and veterans since November 2012