Contents

Acknowledgements 4
Foreword 5
About NASSCOM Foundation 7
Why CSR? 11
  Defining CSR 11
  The Indian Scenario 14
  CSR – The business imperative 15
How can NF work with you 17
  Consulting and advisory 17
  NGO due diligence 17
  Monitoring and evaluation 18
  Employee payroll-giving and volunteering programmes 18
Getting-Started Guide 19
  Identify CSR champion(s) 21
  Getting management buy-in 21
  Plan-Do-Check-Act 22
  Employee volunteering 25
  CSR road map 26
  Documentation 26
Conclusion 29
Connect with NF 30
NF sincerely thanks all the NASSCOM member companies that have participated in our ongoing CSR research and their staff members who agreed to be interviewed, often at short notice. Notable amongst these are Applabs India, Aricent, Avaya, CA, Cognizant Technologies, Deloitte, Franklin Templeton Institutional, GE, GE Money, Genpact, HCL Technologies, Infosys, Intelenet Global Services, KPIT Cummins Infosystems, Microsoft India, MphasiS, NIIT Technologies, Perot Systems, Principal Global, Sasken Communication Technologies, Syntel, TCS, Wipro and WNS Global Services. It was from these meetings that the idea for a CSR guide emerged and is today seeing the light of day.

A special mention needs to be made for Dr. Vikas Goswami (Microsoft India), Srimathi Shivashankar (Infosys) and Saumya Lashkari (Genpact) who gave generously of their time and provided us with valuable inputs.

Last but definitely not the least, this guide would not have been possible but for the support provided by colleagues in NASSCOM, especially the research team and the entire NASSCOM Foundation team.
2008 has been a challenging year for all and one that has brought us eyeball-to-eyeball with a global economic recession of unprecedented proportions, a heinous terrorist attack on India’s financial capital and a corporate scandal in our IT Sector which knows no parallel.

It may seem a trifle strange to work on Corporate Social Responsibility during such times. But we are convinced that there is no better time than now to reiterate the need for “Responsibility” - responsibility as citizens, as business persons and as humans inhabiting this fragile planet.

NASSCOM Foundation is working towards supporting CSR in the IT industry. Our consulting team is ready to take you through the CSR landscape and this Get-Started guide will help companies take their initial steps towards setting up a comprehensive framework for CSR. This document is the first offering as part of this service that NF will provide to companies and has emerged out of the many meetings the NF research team has had with the members of the IT fraternity. While the industry’s intent to give back to the country is clear, there is clearly a need to structure programmes for maximum utilisation of resources and impact; this is where NF aims to make a substantive contribution.

The guide is by no means comprehensive or exhaustive, but is a useful starting point for IT companies wishing to initiate CSR programmes. This document is meant to help companies align themselves to the CSR imperative and start walking on the path to setting up a robust CSR programme. It is a part of NF’s service bureau offering to the IT industry for the years to come.

We hope you find this guide useful and look forward to your comments and suggestions.

Jaithirth (Jerry) Rao  
Chairman, NASSCOM Foundation

Rufina Fernandes  
CEO, NASSCOM Foundation
ABOUT NASSCOM FOUNDATION

NASSCOM Foundation (NF) is a charitable organization registered under the Indian Trust Act, 1882.

NF’s vision is to leverage all the resources of the IT and BPO industry to enable education, health, employability and entrepreneurship for under-served communities. Our focus in 2008-10 is to more actively engage NASSCOM members, especially emerging companies.

The Board of Trustees of NASSCOM Foundation (NF) comprises Jerry Rao (the current Chairman); Saurabh Srivastava (the immediate past Chairman); Som Mittal, Harish Mehta and Kiran Karnik. The Chairman and Vice Chairman of NASSCOM are ex-officio Trustees. The Board meets once every quarter to strategise and review plans and programs of the Foundation.

The objectives of the Foundation are:
• To facilitate and strengthen the corporate social responsibility (CSR) space
• Create innovative, effective and scalable programs that leverage ICTs for education, health, employability and entrepreneurship for under-served communities
• Building effective linkages where NASSCOM members and their employees who can participate and contribute to building capacities at the grassroots

NF has created three innovative programs for the IT & BPO industry:

NASSCOM Knowledge Network (NKN)
The NKN is the flagship program and operates on a multi-stakeholder partnership model. Commenced in July 2005, it currently has a network of 220 NASSCOM Knowledge Centres (NKCs) across 12 states and 80 districts catering to around 700+ villages and a population of around 500,000 people. The NASSCOM Knowledge Network (NKN) is a dynamic network of what is known as telecentres/ knowledge centres / common service centres / information centres and is managed by local NGOs with support from NASSCOM Foundation and its partners.

Under the NKN program a NASSCOM knowledge centre is a room of minimum 300-500 sq. ft. that provides public access to value-added information through communication technologies for educational, personal, social and economic development. These NASSCOM knowledge centres
render multi-purpose services to communities such as training and capacity building on education, livelihood, health, e-governance and other services by facilitating access to information and essential services. We provide linkages and opportunities through capacity building and training tools using information and communication technologies (ICT) as an outreach platform.

The NKN brings together donors, content providers and implementing agencies, and enables grassroots organizations to leverage ICT successfully in order to reach out to their respective communities. The NKN program has been designed to focus on community needs, using a bottom-up, non-prescriptive approach.

**BiG Program:** “BiG” is an acronym for Building ICT Capacities @ the Grassroots: The BiG program focuses on building skills in small and medium sized NGOs who leverage ICT for development. In addition to training on the content and applications provided by NF, soft skills, life skills, leadership and entrepreneurship programs are also conducted regularly to build capacities of our NGOs partners and their staff.

**NASSCOM Digital India (NDI):** NDI is a nationwide indigenous oral knowledge and cultural information digitization project. NDI creates a platform for peoples’ participation to digitise Indian peoples’ diversity and oral knowledge of heritage. Through the NDI, NF collects information from communities that are rural, poor, less literate and more ecologically sensitive in lives and livelihoods. This collected knowledge covers areas of climate change, agricultural practices, biodiversity use and heritage. It also includes plant-based folk medicine, local arts and crafts.

NDI is coordinated by leveraging its NKN network, NGO sector, government, academia and industry. The NDI process will encourage people’s participation in the assimilation of oral knowledge, which may otherwise get lost with time.

This information will be made available on the web under the creative commons license.

**Poverty Alleviation Program:** NF works with women and youth with traditional artistic skills and helps them enhance the same by training them on a nine month digital and animation program. Two batches of around 60 girls and young women are currently on at the old city of Hyderabad in Andhra Pradesh and in Sangli district in Maharashtra.

We have trained two batches of 27 people with disabilities through a 250 hours executive development program. Currently the third batch of 12 students is being trained on weekends at the NF office in Mumbai.

We have also partnered with L&T who train skilled and unskilled workers required by the construction industry in verticals such as plumbing, electricians, masonry, wood-work and related fields.

The main aim of the PAP is to help these various communities increase their earning capacities.

To date around 55 women have been employed...
with the animation industry, 25 in the construction industry and around 26 people with disabilities in various organizations.

**BiG Tech—Online technology market place for NGOs**
The BiG Tech Program facilitates donations of best-in-class technology products and services. Under the BiG Tech program, NGOs and Not for profit organizations receive software and services FREE OF COST. BiG Tech is technology philanthropy program offered in partnership with TechSoup Global, a USA based non-profit organization. NGOs and non-profits can register for such donations on www.bigtech.in.

Currently BiG Tech has three donors: Microsoft, Bytes of Learning and Eagle Net. By February 2009, NF will offer business accounting software donated by Busy Infotech an Indian IT company. This is the first NASSCOM member to become a donor on BiG Tech. BiG Tech has so far donated around 1200 products worth Rs.15 million approx. over the last one year.

**I Get Involved Program**

**CSR, Volunteering, Employee engagement and Payroll Giving:** NF aims at providing CSR consulting to facilitate members’ engagement in CSR related activities and programs. NF has developed a CSR guide to enable emerging companies understand and operate more effectively in the CSR domain.

NF collaborates with members through roundtables, seminars and conferences that bring together different constituents to have meaningful interactions between the IT Industry and the Non profit world on topics pertaining to ICT and social development.

**Research and Publications:** Since 2006, NF has regularly published a report called “Catalysing Change” showcasing the social and economic impact of the IT & BPO Industry’s contribution in India. NF also publishes papers on several topics, which are available on www.nasscomfoundation.org for free download.

**Events:** In 2009, NF introduced the **NF Social Innovation Honors.** This is primarily to recognize profit and non-profit organizations that are contributing socially through the use of ICT.

**iTheatre** brings together the IT Industry and Theatre. This is another innovative employee engagement and work-life balance program where NF brings the best of plays to the campuses of IT and BPO companies to help HR and employees engage with each other in a fun, informal and vibrant ambience.

Donations to NF from the USA, can be routed through Give2Asia, a registered 501© (3) Non-profit registered in the USA.
CSR is not simply an act of charity—it encompasses far more and relates to all stakeholders of a company. For some time now, management gurus have been stressing the need to look at “strategic CSR”, i.e. an initiative that is closer to the true nature of business in a corporation rather than just an ancillary function.

**Defining CSR**

Academicians and management experts have defined corporate social responsibility (CSR) in a variety of ways and yet there is no accepted definition of the term. However, a general understanding of the term is *the obligation business has towards society beyond what it owes to its owners or shareholders.*

CSR as we know the term today was born in the post World War II era and one of the earliest proponents was Howard R. Bowen in his book “Social Responsibilities of Businessman” published in 1953. Bowen believed that there would be general social and economic benefits that would accrue to society, if business recognized broader social goals in its decisions. CSR then is nothing but what an organization does to positively influence the society in which it exists. It could take the form of community relationship, employee volunteer programmes, healthcare initiatives, special education / training programmes and scholarships, preservation of cultural heritage and beautification of cities.

Instead of a single “bottom line” on which most executives have been taught to fixate, the corporate are required to pay attention to multiple bottom lines—social, environmental, information and ethical bottom lines—all of which are interconnected.

The goal of CSR is to give back to the society, what it (business) has taken from it, in the course of its quest for creation of wealth. Scholars such as Andriof and McIntosh (2001) suggest that corporate social responsibility requires corporate leaders to understand that everything a company does has consequences both inside and outside the company, from customers and employees to communities and the environment. They suggest that these impacts have a ripple effect on society that can be divided

> Indian CSR suffers from the ‘Tirupati syndrome’. They think its like putting money in a box and forgetting it. Its not just that.

—Kiran Karnik, Ex-President, NASSCOM

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into three broad overlapping areas (see Fig 1).

**Social**
- Engagement with education, social inclusion, regeneration, employee volunteering

**Economic**
- Addressing issues relating to jobs, ethical trading standards and product value

**Environment**
- Consideration of emission and waste control, energy use, product life cycle and sustainable development

Whilst all the above-mentioned areas impinge on society as a whole, the relationship of each with the business is different. Economic and environmental issues typically get addressed and implemented from within a business, often because they have a direct impact on costs. Social issues, on the other hand, require closer liaison, and sometimes partnership, with external groups to address various social issues. CSR assigns to businesses a new role and purpose. They are to embrace ‘corporate citizenship’, and run their affairs, in close conjunction with an array of different ‘stakeholders’, so as to promote the goal of ‘sustainable development’. Hence businesses should set objectives, measure their performance, and have that performance independently audited, in relation to all three. They should aim to meet the ‘triple bottom line’, rather than focusing only on profitability and shareholder value.

Before we go further let us consider some internationally accepted definitions of CSR:

**Dow Jones Sustainability Index**
A business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments.

**International Finance Corporation (IFC)**
Corporate social responsibility is the commitment of businesses to contribute to sustainable economic development by working with employees, their families, the local community and society at large to improve their lives in ways that are good for business and for development.

“We need to identify a few projects which optimise use of resources and can be scaled up by the industry as a whole.”

—Som Mittal, President, NASSCOM
The Dow Jones definition of CSR is from a business’s perspective and what it stands to gain (positive image in the community) and seems to take a statutory view of CSR. The IFC definition is more comprehensive and focuses on long terms economic development of both business and community. The Harvard definition on the other hand provides a more holistic description and seems to view a corporate as an integral part of society and therefore approaches CSR in a more organic fashion.

Corporate social responsibility is often presented as an extra cost, an added burden born by the corporation already struggling to be profitable in a difficult economic phase. But in some situations, the opportunity to improve its business ethics also offers the company extraordinary marketing and branding possibilities. It is important to point out that companies known for their ethics and CSR activities adopted these values not when they had become big and prosperous, but when they were small outfits. And it is precisely their values that gave them the backing of the public in difficult times, which enabled them to grow to their present giant size.

 Corporate citizenship has a large role to play in shaping our company’s success, and we are committed to leveraging our financial, technical and intellectual resources to design and implement sustainable solutions that benefit our stakeholders, employees, and the communities in which we operate.

—Pramod Bhasin, CEO, Genpact

Harvard’s Kennedy School of Business

Corporate social responsibility encompasses not only what companies do with their profits, but also how they make them. It goes beyond philanthropy and compliance and addresses how companies manage their economic, social, and environmental impacts, as well as their relationships in all key spheres of influence: the workplace, the marketplace, the supply chain, the community, and the public policy realm.

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The Indian scenario

India is today one of the six fastest growing economies of the world. Recession notwithstanding the business and regulatory environment is evolving and moving towards constant improvement. A highly talented, skilled and English-speaking human resource base forms its backbone. The Indian economy has transformed into a vibrant, rapidly growing consumer market, comprising over 300 million strong middle class with increasing purchasing power. India provides a large market for consumer goods on the one hand and imports capital goods and technology to modernize its manufacturing base on the other. However, despite these laudable indicators, when it comes to health indices, food security, nutrition, bio-energy, environment and livelihood for rural India, we have repeatedly failed the vast majority.

Given this scenario, every citizen and organization has a responsibility towards the country, which can no longer be shirked off. The IT industry contribution has been a good start but much more needs to be done if a significant impact needs to be realised.

The Planning Commission has estimated that 27.5% of the population was living below the poverty line in 2004–2005. 75% of the poor are in rural areas with most of them comprising daily wagers, self-employed households and landless labourers. UN’s annual human development index for India ranks us at 128th out of 177 countries with data.

You have taken a lot from society; it is time to give back so don’t grudge that... We ask new recruits, “Who funded your education? The answers that come range from parents, government, tax payers. When you look deeper you realise that it is not parents, government, tax payers who have funded you but the woman who carries her child for 10 km to the nearest public health centre who has funded you, or the ones who walk 5 kms to get potable drinking water, or the child who walks the same distance to get to a primary school... these are the people we need to repay, not the government!

—Hari Iyer, Senior Vice President-HR, Sasken Communication Technologies
CSR – The business imperative

Companies have also been encouraged to adopt and or expand CSR efforts as a result of pressures from customers, suppliers, employees, communities, investors, activist organisation and other stakeholders. As a result CSR has grown dramatically in recent years with companies of all sizes and sectors developing innovative strategies. Corporates have experienced a range of bottom line benefits, which include:

**Enhanced brand image and reputation:** A company considered socially responsible can benefit both by its enhanced reputation with the public, as well as its reputation within the business community, increasing a company’s ability to attract capital, trading partners and therefore business.

**Increased sales and customer loyalty:** A number of studies have suggested a large and growing market for the products and services of companies perceived to be socially responsible. While businesses must first satisfy customers’ key buying criteria - such as price, quality, appearance, taste, availability, safety and convenience, studies have shown a growing desire to buy based on other value-based criteria, such as products with smaller environmental impact, and absence of genetically modified materials or ingredients.

**Increased ability to attract and retain employees:** Companies perceived to have strong CSR commitments often find it easier to recruit employees, particularly in tight labour markets. Retention levels may be higher too, resulting in a reduction in turnover and associated recruitment and training costs. Tight labour markets as well the trend toward multiple jobs for shorter periods of time are challenging companies to develop ways to generate a return on the consideration resources invested in recruiting, hiring, and training.

**Enhanced operational efficiencies and cost savings:** These flow in particular from improved efficiencies identified through a systematic approach to management that includes continuous improvement. For example, assessing the environmental and energy aspects of an operation can reveal opportunities for turning waste streams into revenue streams (wood chips into particle board, for example) and for system-wide reductions in energy use, and costs.

**Enhanced ability to address change:** 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. Increasingly, firms use CSR as “radar” to detect evolving trends in the market.

In NF’s experience though, when asked about the important factors that influenced CSR most IT companies expressed a view that benefiting society was more important than company-oriented or business imperatives, such as improving customer relations or improving the company’s image.
The need to implement CSR is two-fold – societal expectation and a company’s internal requirements. However, setting up projects that meet stakeholder needs, optimise available resources, and create impact is challenging. Successfully doing so can mean the difference between whether companies grow holistically along with other entities in their environment, as well as whether national socio-economic developmental goals are met or not.

**Consulting and advisory**
NF provides companies with consulting and advisory services related to not only setting up of CSR divisions but also taking CSR activities to a higher level of maturity. NF’s experience in the field and an experienced base of professionals from corporate, social development, corporate communications, and HR fields means that NF is perfectly positioned to provide consulting and advisory services in a number of key areas. These include identification of CSR drivers, engaging stakeholders, identification of CSR project areas, selection of NGOs, employee volunteering programs, payroll giving programs, as well as monitoring and evaluation of projects.

NF’s non-profit status means that, rather than being preoccupied with making projects profitable, we have a singular focus on meeting client expectations. NF can help companies engage with their stakeholders, develop corporate social responsibility strategy, and measure performance and impact.

**NGO due diligence**
India is touted as having the most number of NGOs in the world, somewhere in the range of 1-2 million organizations! With such a huge number to reckon with, not to mention the ill repute this sector has garnered, there is a natural reluctance on the part of corporates to liaise with them.

NF has spent the last three years working with civil society bodies across the length and breadth of the country and now has a dynamic network of organisations that it is linked with. This network and a body of experienced development professionals gives NF the ability to help NASSCOM’s member companies to identify NGOs and run due diligence checks on them.
NF’s team of experienced social development professionals have a background in monitoring and evaluation and are well placed to help corporations set up such systems for CSR programmes.

Monitoring and evaluation
Prof. Michael Porter (Harvard Business School) and other management gurus predict that in the next decade or so there will be a growing emphasis on quality of management of CSR, that it (CSR) will increasingly be defined by core business issues, be managed strategically across businesses, and underlying all of this will be the professionalizing of social accountability with firmer standards emerging in the future. Given the above scenario, corporations need to respond to the emerging resonance and put in place robust processes to plan, implement, and measure impact of CSR activities.

One way of responding to the above scenario is to set up dynamic monitoring and evaluation systems. Evaluation is all about learning. Learning organizations are those whose existence is based on continuous receipt and review of new information and adaptation for sustainable advantage. They do not simply attempt to achieve objectives; they are constantly on the alert to adapt to changing circumstances or to find ways for improving their approaches. An evaluation should involve stakeholder engagement, including comments and suggestions from management, CSR coordinators, managers and committees, employees and outside stakeholders.

NF’s team of experienced social development professionals have a background in monitoring and evaluation and are well placed to help corporations set up such systems for CSR programmes.

Employee payroll-giving and volunteering programmes
The IT industry has a dynamic workforce that is highly motivated towards giving back to society either in terms of money or time. The industry, which has one of the youngest workforces, originates from a varied socio-economic background. In addition to personal success they are also driven to work towards development of their community and society.

NF, with its experience in working with the IT industry in gathering best practices, has garnered considerable experience in these areas and can help IT companies set up these systems.
GETTING-STARTED GUIDE

There is no “one-size-fits-all” method for pursuing a corporate social responsibility (CSR) approach. Each firm has unique characteristics and circumstances that will affect how it views its operational context and its defining social responsibilities. Each will vary in its awareness of CSR issues and how much work it has already done towards implementing a CSR approach.

That said, there is considerable value in proceeding with CSR implementation in a systematic way—in harmony with the firm’s mission, and sensitive to its business culture, environment, risk profile, and operating conditions. Many firms are already engaged in customer, employee, community and environmental activities that can be excellent starting points for firm-wide CSR approaches. CSR can be phased in by focusing carefully on priorities in accordance with resource or time constraints. Alternatively, more comprehensive and systematic approaches can be pursued when resources and overall priorities permit or require. The bottom line is that CSR needs to be integrated into the firm’s core decision-making, strategy, management processes and activities, be it incrementally or comprehensively.

If companies were to analyse CSR activities using frameworks similar to those that guide their core business, they would discover that CSR can be much more than simply a charitable deed incurring costs; indeed it can be a source of opportunity, innovation and competitive advantage. A well-designed CSR implementation framework integrates economic, social and environmental decision-making throughout an organisation—from the board of directors to front-line officials and supply-chain partners—and is therefore intimately connected with effective corporate governance. A properly governed organisation can reap optimal benefits for itself and its shareholders, and in turn for those who are affected by the company’s activities. At all levels of a business, inadequate direction and control of its activities and assets can jeopardize its very ability to operate.

The steps in this process are:
Step 1: Identify CSR champion(s)

For CSR to be seen in a more strategic light by top management, it is important to have a champion in the top echelons of the company. Such a person can help the CSR committee to drive company wide activities and for CSR projects to be seen as more than just ad hoc acts of charity.

What to look for in a CSR champion?

- Typically, CSR champions would be good at identifying, packaging and selling CSR ideas in their organisation and among their stakeholders.
- A CSR champion’s own personal values would be aligned with the CSR agenda.
- Apart from the above, they should have one of the following qualities:
  - Be knowledgeable about aspects of CSR and/or social development issues
  - Be able to influence and motivate people
  - Be able to push for change
  - Be passionate about and dedicated to changing social problems

Step 2: Getting management buy-in

Many companies initiate CSR projects and locate them under the internal marketing, corporate communications and human resources departments. While this is a great way to begin, and necessary for functional reasons, it is imperative that CSR has leadership commitment and that leadership accepts ultimate responsibility. Until CSR is recognised by leadership and regarded as central to business success, it will not receive the attention or resources it deserves and therefore will fail to achieve its desired returns.

Some ways of getting senior management buy-in are:

- Point to successful programmes in other companies, particularly in the same industry.
- Organise a trip to a development project as part of your company’s senior management retreat.
- Push for the subject to be brought up at internal conferences and meetings.
- Look for allies internally who you know are committed to CSR. Talk to these people individually
to rally their support and seek their assistance in putting CSR on the corporate agenda.

- Identify external allies in the CSR departments of other companies and trade associations for further support and ideas.

**Step 3: Plan-Do-Check-Act (PDCA)**
The framework NASSCOM Foundation recommends follows the Plan – Do – Check – Act model that is followed by the International Organization for Standardization (ISO) in the areas of quality and environmental management systems.

The framework is intended to be flexible, and firms are encouraged to adapt it as appropriate for their organization.

"Around 80% of IT companies interviewed in an ongoing NASSCOM Foundation CSR study reported that employees are the internal CSR champions. In many mid-sized companies, it is the employees who first bring CSR to the attention of the senior management. Supporting the formation of a employee volunteer committee that will drive CSR is a noteworthy step for any organisation."
Fig4: The PDCA process

**PLAN**

**Conduct Assessment**
- Assemble a leadership team
- Develop a working definition
- Identify legal & statutory requirements
- Identify & engage key stakeholders

**Develop Strategy**
- Build support with senior management
- Prepare matrix of CSR actions
- Develop ideas and the business case
- Decide on direction, approach & focus areas

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**DO**

**Develop Commitments**
- Do a scan of CSR commitments and prioritise
- Discussion with major stakeholders
- Create working group to develop commitments
- Prepare preliminary draft
- Consult with affected

**Implement Commitments**
- Convert priorities to actionable goals
- Develop integrated decision-making structure
- Set targets and identify performance measures
- Establish mechanisms for addressing problems
- Create communication plans
- Make commitments public

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**CHECK**

**Assure and report on progress**
- Measure & assure performance
- Engage stakeholders
- Report on performance internally and externally

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**ACT**

**Evaluate and improve**
- Evaluate performance
- Identify opportunities for improvement
- Engage stakeholders
Step 4: Employee volunteering

Around 80% of IT companies interviewed in an on-going NASSCOM Foundation CSR study reported that employees are the internal CSR champions. In many mid-sized companies, it is the employees who first bring CSR to the attention of the senior management. Supporting the formation of an employee volunteer committee that will drive CSR is a noteworthy step for any organisation.

A corporate volunteering program can start in numerous ways:

- An employee volunteers with a not-for-profit organisation and subsequently asks for support from their employer
- The employer makes information about volunteering opportunities available to employees for ‘self selection’ not-for-profit organisation identifies volunteering opportunities and approaches a business with a formal proposal
- The business establishes an employee volunteering program that it promotes to the not-for-profit sector
- A business decides to support a particular organisation and invites employees to also contribute their time and skills
- A business offers pro-bono (free of charge) services to one or more not-for-profit organisations

By encouraging employees to participate in community activities through company sponsored volunteer programs, a business contributes to building better communities. Many employees are already faced with stressful competition between work and routine family life. Corporate volunteering allows people to contribute skills and knowledge to a not-for-profit organisation and actively participate in the community and makes them feel good.

Corporate volunteering can be a low-cost, short-term, low-risk, high-impact way of making the knowledge, skills and experiences of the business sector accessible to the not-for-profit sector while building understanding, employee skill and community goodwill. Corporate volunteering programs can be structured and formal or ad-hoc and informal.

While volunteering can grow organically, benefit is best reaped when the programme is formal, planned, structured and given formal recognition. A strong CSR programme has to start with support from the employees and they must be a company’s greatest ambassadors. Providing the means as well nurturing employees wishing to volunteer both ensures a continued connection with community. This also helps in the reduction in overall financial cost to the company and improves employee morale and support for the business and for the broader CSR programme and objectives.

Getting an employee volunteer programme started:

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2 Catalysing Change 2008-09 “CSR, an active partnership”, the annual NASSCOM Foundation CSR report will be released at the NASSCOM HR Conference in July 2009.
• Build awareness about social issues and the need for each member of society to be actively involved in them.
• Advertise for volunteers and ask CSR champions to help.
• Identify key social issues where employees would like to contribute
• Identify potential civil society / NGO partners and approach them.
• Draw up an agreement / reach an understanding with the NGO as to the kind of work and time volunteers will put in.
• Organise a sensitization cum training session with volunteers (depending on the kind of work they would get involved in), ideally with staff members of the NGO.

Routinely review volunteer activity and ask for feedback from NGO partners. It is important to pass on this feedback to volunteers.

Step 5: CSR road map
For many companies, it is easier to get started by making a small but significant beginning. It is important to note that it is not the size of the initiative that matters; there is more value to be gained and larger impact by identifying projects which are more crucial to the community in which a firm functions.

Some examples of small ways in which to begin CSR:
• Provide a safer working environment and educational assistance to employees, especially support and contractual staff.
• Enhance gender equality in the workplace and actively recruit people with disabilities.
• Use more energy-efficient appliances (e.g., light bulbs) and vehicles and encourage car pooling, use of buses instead of cabs amongst employees.
• Source more from local suppliers.
• Support more local community projects.
• Recycle more waste.
• Ensure a better work/life balance for employees.

Documentation
Communication of CSR activities internally and externally is an important component of CSR. This

Fig5: Communicating effectively
not only helps build awareness about the company’s activities and improves its image amongst stakeholders, but also helps to garner support for CSR activities and receive feedback. See Fig 5 for examples.

**Guidelines for reporting**

External reporting in the form of CSR or sustainability reports is one way of communicating to stakeholders. All types of report should link back to the underlying logic of your principles and values. Remember, reporting is not an end in itself but a means to build trust with your employees, customers, suppliers and other stakeholders by demonstrating your company’s openness and willingness to be accountable for impact on society. In addition, how you report may change in scope, content and format over time.

When deciding which methods are most suitable for your audience, bear in mind the following reporting principles:

- Develop a graduated programme for external reporting.
- Include all the appropriate areas of your company’s activities.
- Make your reporting regular, systemic and timely.
- Communicate appropriately and effectively to each stakeholder group.
- Make your information, comparable, reliable and easy to understand.
- Focus on steps to improve performance.

- Talk about where you have made a positive impact but also where you have made mistakes.
- Use quality assurance audit methods and external professional credentials to build credibility into your reporting.
- Commercial sponsorships should not be presented as community investments.
- Do not give estimates when talking of impact; instead focus on metrics for evaluation.

Using international standards is an effective way of communicating because they offered structured guidelines which help in streamlining implementation as well as monitoring and evaluation. Given below are some examples of global reporting standards:

**Global Reporting Initiative (GRI):**

GRI is a multi-stakeholder initiative, formed to develop globally applicable guidelines that can be used voluntarily by reporting organizations. The Sustainability Guidelines on Economic, Environmental and Social Performance, launched in May 1999 and updated for re-release in June 2000, were designed to help companies report on the economic, environmental and social impact of their
business operations. The guidelines acknowledge independent verification as a measure of providing assurance for reliability and completeness of sustainability reports. The guidelines suggest that principles and standards for verification of social reports need to allow for more diverse approaches than are used in traditional financial auditing, while maintaining fundamental audit concepts necessary to provide assurance and credibility. For more details, please see http://www.globalreporting.org/Home

AccountAbility 1000 (AA1000):
AA1000, developed by the Institute of Social and Ethical Accountability and launched in November 1999, is a ‘process standard’ setting out principles and a method for social reporting that focus on the process rather than the content of the social report. Within the standard are guidelines addressing principles for the conduct of the social and ethical auditor. They also offer a framework for the audit process, covering the terms of engagement through to reporting the audit. These guidelines however, do not form part of the AA1000 standards and are not for the purpose of certifying a social report ‘AA1000 compliant’. They are aimed to be a tool for companies and a framework that can be referenced by auditors, in order to describe to readers of the report, the audit process and principles that have been followed. For more details look up http://www.accountability21.net/

International Standards Organization:
The International Standards Organization (ISO) has produced a number of auditable standards and accreditation systems for reporting on corporate performance. In particular, it provides standards on environmental management systems (ISO 14000 series). ISO 14002 is a guide for environmental auditing and qualification criteria for environmental auditors.

ISO26000 is recognized as the new international standard developed by ISO on social responsibility. ISO 26000 which will be published in 2010 could have a profound impact on the way CSR develops globally. Further details can be obtained at www.iso.org
CONCLUSION

• Today, CSR is widely seen a management strategy option. A growing number of successful examples have demonstrated that respecting CSR in strategic planning, and following these through plans in operations, either leads to increased economic output, or at least is (in the short run) neutral in its effect on company profits.
• Furthermore, a growing number of large companies (and an increasing number of SMEs) have recognised the need to improve their social and environmental risk management strategies, grasp opportunities in innovative technology development and knowledge creation, and engage more proactively with their stakeholders.
• Corporate philanthropy is an essential component of community engagement, and as such, must continue even during difficult times. However, making cash donations does little to leverage a company’s strengths. By reducing cash donations, corporates can focus instead on supplementing those donations with the contribution of resources and employee time.
• Instead of a single “bottom line” on which most executives have been taught to fixate, corporations are required to pay attention to multiple bottom lines - social, environmental, information and ethical bottom lines - all of which are interconnected.
• There is a need for Indian companies to graduate from thinking in terms of just charity, to the concept of responsibility. Both managers – at the individual level – and the corporates need to accept that neither office nor position gives immunity from responsibility.
• There is also an urgent need to integrate CSR with business strategy i.e. to link company’s core business and strengths on the one hand with resources available with the organisation internally and needs of the external environment, on the other.
CONNECT WITH NF

Would you like to initiate a CSR programme in your organisation? Or take it to a next level of maturity?
Please fill this form and send it to csr@nasscomfoundation.org or info@nasscomfoundation.org.

Name of respondent : 
Name of company : 
Designation : 
Department : 
Email : 
Phone : 
Mobile (optional) : 
Website : 

No. of employees in India ______________________
No. of locations in India _______________________

Has CSR/ Corporate citizenship/ any other kind of social service related activity been initiated in your company?
Yes / No

Who is/will be responsible for CSR in your company?
________________________________________________________________________________________
________________________________________________________________________________________
________________________________________________________________________________________

Your thoughts on CSR:
________________________________________________________________________________________
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