

Perspectives on Supply Chain Social Responsibility

Ms. K. C. Raja Shree,

Asst. Professor
Saveetha School of Management,
Saveetha University, Chennai, India.

Abi Shek. G.,

II Year, MBA Student
Saveetha School of Management,
Saveetha University, Chennai, India.

ABSTRACT

In this paper, we build up an energetic outline for the representation and cramming of supply chain system towards the corporate social responsibility. We investigate the vibrant culmination of the product streams, the coupled product prices, in addition to the echelons of social responsibility commotions on the network in anticipation of a stability pattern which is achieved. We utilize the term supply chain social responsibility to portray the contribution of acquiring directors in socially dependable activities. The reason for the examination is to look at the potential effect CSR and the likelihood of having inventory network connections. Our discoveries propose that CSR has an immediate and positive effect on provider execution that enhances trust and collaboration. These discoveries hold critical ramifications for obtaining administrators as well as coordinators, supervisors in the zones of client administration, appropriation, and business-to-business showcasing. This study focuses on the perception of the employees towards supply chain social responsibility. The results of the study elaborates that employees believe supply chain social responsibility will possibly boost profit of the company.

Keywords: Supply chain, Social responsibility, inventory, network connections, profit.

INTRODUCTION:

Supply chain is a complex set of connections embracing a mixture of logistics management activities. This necessitates the subsequent activities, such as organizing, directing, and implementing the surge of raw materials which are utilized for the production and all the way through the distribution headed for delivery to the final buyer. Social responsibility is an ethical frame work of business and may possibly endow with the stability of profit making commotions by means of propping up the society. It amplifies the business with the affirmative alliances in which they manoeuvre. The corporate social responsibilities are fetching ethics into business and management which is comprehensively used to construct advantages to public.

The fortification of CSR is described as corporate citizenship. Every business has acquaintance about the breed of brunt that they may perhaps encounter from every single plane of the society which includes economic, social, and environmental aspects. This will lend a hand to the company with the intention of plummeting pessimism. In order to widen the CSR performance the companies need to craft strapping relation with the provider and supplier. This will also aid in the augmentation of productivity and slicing down the cost. The gain of ethical supply chain and management are unmitigated to suppliers. The supply chain social responsibilities will doubtlessly upshot in enhancing transparency, accomplishing accountability, perking up partnerships, convalescing hiring, recuperating in manufacturing quality products, engraving negativity, offering safety for investors and creditors. Some of the features such as trouncing dearth of resources, augmenting prosperity , alleviating risks, grasping new market opportunities, attaining long term perspectives, boosting profits, acquiring environmental sustainability, evading negative publicity , guaranteeing compliance, vigilant security , enhancing collaboration and accomplishing retention are used to scrutinize the perception of employees towards supply chain social responsibility.

REVIEW OF LITERATURE:

Raza (2018) developed a scheme with respect to supply chain coordination for the purpose of pricing inventory and the decisions concerning the investments of social responsibility for solitary retailer-manufacturer within supply chain. The study puts emphasis on the usage of distribution – free approaches in order to curtail the disparaging impacts of the demand information distortion in supply chain.

Hussain et al. (2018) applied the SIPOC technique and stakeholder theory for scrutinizing the sustainability within society in supply chains of effective health care. The described study moreover discovers about the enablers, blockades and motivators of sustainable society commencing from the viewpoints of the stakeholders. The study also advocates strategies for enhancing measures of the social sustainability from corner to corner throughout the supply chain of health care.

Bisogno (2016) established about the increasing desire of the consumers headed for short supply chain of food that permits recovery of direct association and consideration of linkage between the products and the consumers. The study intended to formulate organizational models in order to build new forms in the field of advertising short chain. This is accomplished through contradicting in the course of definite competitive improvement of fruit as well as vegetable chain.

Morais and Silvestre (2018) scrutinized the focal companies' execution as well as administration of sustainability in supply chains. The study adopted 34 supply chains from 6 focal companies. The findings of the study recommends that the intrinsically encouraged initiatives of social sustainability of supply chains resulting into espousal of delivering chain partnerships whilst extrinsically motivated initiatives result in strapping connection of information exchange.

Mani et al. (2018) investigated the social issues relatable towards the social sustainability in the emerging economics. The decree of the study exhibits that the social sustainability is measured on the basis of five dimensions such as product responsibility, diversity, societal responsibility, safety and health, labour rights. This shows an affirmative relationship between the practices of the supplier and the concert of provider in supply chain.

Yadlapalli et al. (2018) make available the intact information on the subject of the supplier miscellany and the supplier enlargement as governance mechanisms in social responsibility. The study on a whole considered 267 responses. The study reveals that together supplier- enlargements as well as supplier- miscellany governance methods rests on ecological and societal routine of the firm.

Jadhav et al. (2018) discusses about the potential of the supply chain orientation with reference to the sustainable performance of the supply chain. The study interprets the results in the form of SEM analysis. The upshots of the study demonstrate the effects of different pathways that are associated towards the performance for supply chain sustainability.

Hong and Guo (2018) elaborated the green product of supply chain taking into consideration for the environmental responsibilities. The study illustrates that the collaboration between the manufacturers and the retailers may perhaps be not beneficial to all members. A contract based on cost sharing and coordination is being developed to enhance the supply chain performance and profits.

Quarshie et al. (2016) convoluted and inspected the ethical aspects involved in supply chain management. The present study recommendation is based on social responsibility within supply chain which could be accomplished through combining business ethics and supply chain management as a solitary discipline which may possibly result in sustainable supply chains.

Cruz (2013) constructed a structure for the purpose of modelling and the analysis of the global supply chain with respect to corporate social responsibility. The findings of the study depicts that increased intensity of social responsibility would lessen the price and consequently increases the demand for that particular product.

Mani et al. (2018) implies that the firms lay emphasize on miscellaneous aspects regarding the practices of societal sustainability in upstream along with downstream supply chain. The results portrays that unique insights are required for the practices by the supply chain practitioners which is very much essential.

PERCEPTION TOWARDS SUPPLY CHAIN SOCIAL RESPONSIBILITY:

The study is carried out for the rationale of finding the perception among employees towards the supply chain social responsibility. This is done through the formulation of a questionnaire enclosing an assortment of aspects that are the consequences of social responsibility within supply chain. The respondents are 56 in number and they are employees working in management of supply chain. The demographic summary of this investigation embraces age, gender and educational qualification. The frequency analysis of gender is displayed in Table 1.

Table 1: Frequency Analysis of Gender

S.No	Gender	Frequency	Percent
1	Male	36	64%
2	Female	20	35%
Total		56	100%

It is evident from the Table 1 that the predominance of respondents are male, therefore it is apparent that majority of populace employed in supply chain are male. The frequency analysis of age is demonstrated in Table 2.

Table 2: Frequency Analysis of Age

S.No	Age Group	Frequency	Percent
1	<25 years	15	26%
2	25-35 years	26	46%
3	>35 years	15	26%
Total		56	100%

It is manifested from the Table 2 that mainstream of the respondents are between 25 to 35 years pursued by both less than 25 years and more than 35 years. It is inferred from the table that the high proportion of folks working in supply chain falls within middle age. The frequency analysis of educational qualification is illustrated in Table 3.

Table 3: Frequency Analysis of Educational Qualification

S.No	Educational Qualification	Frequency	Percent
1	School	8	14%
2	UG	21	37%
3	PG	19	33%
4	Ph.D	8	14%
Total		56	100%

It is obvious from the Table 3 that generally the respondents are under graduates trailed by Post graduates and then by both Schooling and doctorates. It is understandable from the table that the employees of the supply chain are predominantly undergraduates. The perception of employees towards supply chain social responsibility is determined by means of Likert’s scale. Table 4 elucidates the mean analysis regarding the perception of employees about supply chain social responsibility.

Table 4: Mean Analysis for Perception about supply chain social responsibility

S.No	Views of Supply chain social responsibility	Mean	Rank
1	Supply chain social responsibility helps in environmental sustainability (Acquiring environmental sustainability)	3.732	2
2	The Profile of the company is increased through supply chain social responsibility (Boosting profits)	3.750	1
3	Supply chain social responsibility protects the company from negative public relation consequence (Evading negative publicity)	3.625	5
4	Collaboration with the suppliers can be enhanced through supply chain social responsibility (Enhancing collaboration)	3.357	11
5	Supply chain social responsibility ensures compliances with the expectations and requirements of the customers (Guaranteeing compliance)	3.642	4
6	Supply chain social responsibility provides security for the investors and creditors (Vigilant security)	3.714	3
7	Supply chain social responsibility creates new market opportunities (Grasping new market opportunities)	3.392	10

S.No	Views of Supply chain social responsibility	Mean	Rank
8	Long term perspectives can be achieved through supply chain social responsibility (Attaining long term perspectives)	3.321	12
9	Supply chain social responsibility is a way to mitigate the risk (Alleviating risks)	3.571	6
10	Overcoming of resource scarcity is possible in supply chain social responsibility (Trouncing dearth of resources)	3.553	7
11	Supply chain social responsibility boost up the prosperity of the organization (Augmenting prosperity)	3.518	8
12	A good reputation due to CSR activities will accomplish retention of both employee and the customer (Accomplishing retention)	3.517	9

It is conspicuous from the Table 4 that the variable boosting profit owns the highest mean value subsequently followed by acquiring environmental sustainability, vigilant security, guaranteeing compliance, evading negative publicity, alleviating risks, trouncing dearth of resources, augmenting prosperity, accomplishing retention, grasping new market opportunities, enhancing collaboration and attaining long term perspectives. It is concluded from the table that the employees perceive that the supply chain social responsibility would most likely upshot in boosting the profit of the company. Table 5 displays the affiliations among the variables that are being mentioned by means of factor analysis.

Table 5: KMO dimension

KMO Measure		.707
Bartlett's Test for Sphericity	Chi square value	273.389
	Significance value	.000

Table 5 demonstrates the KMO and Bartlett's analysis for checking the data sufficiency. It is apparent from the table that the KMO value is bigger than 0.6 in addition to significance value which is 0.000. Therefore, given data is sufficient for carrying out factor analysis.

Table 6: Reduction of Variables

S.No	Total	% of Variance	Cumulative %
1	2.452	20.436	20.436
2	2.069	17.238	37.674
3	1.88	15.663	53.337
4	1.666	13.886	67.223
5	1.329	11.078	78.302

Table 6 makes clear the variance of the component. It is evident from the table that 12 variables are grouped into six factors and all the factors together explain 73% of variance.

Table 7: Analysis of Rotated component matrix

S.No	Views of Supply Chain Social Responsibility	Component				
		1	2	3	4	5
1	Trouncing dearth of resources	0.863	-	-	-	-
2	Augmenting prosperity	0.789	-	-	-	-
3	Alleviating risks	0.776	-	-	-	-
4	Grasping new market opportunities	-	0.896	-	-	-
5	Attaining long term perspectives	-	0.871	-	-	-
6	Boosting profits	-	-	0.873	-	-
7	Acquiring environmental sustainability	-	-	0.793	-	-
8	Evading negative publicity	-	-	0.601	-	-
9	Guaranteeing compliance	-	-	-	0.933	-
10	Vigilant security	-	-	-	0.632	-
11	Enhanced collaboration	-	-	-	-	0.432
12	Accomplishing retention	-	-	-	-	0.766

Table 7 exemplifies the grouping of 12 variables into 5 components. These five components 1, 2, 3, 4 and 5 are named as improved affluence, forecasting the future, environmental assistance, better protection and employee alliance respectively on the basis of variables allocated.

CONCLUSION:

In this paper, we encompassed on the subject of social responsibility demeanoured in supply chain management. It plays an imperative position in distinguishing how business bangs the working conditions, networks and economies in close proximity, ecological issues, etc. An efficient CSR agreement and methodology will assist in financial maintainable upgrading standards. The CSR empowers the organizations in future to watch over the opportunities globally and through multifarious supply chains. Therefore, appealing organizations with data makes them to spot out from whom they purchase and who supplies them down the chain. This rally round us in the vicinity of future and provides likelihood alleviation, enhances attention to how international junctures could cause interruption and uncovers obvious interdependencies in the store network.

REFERENCES:

- Bisogno, M. (2016). Corporate social responsibility and supply chains: contribution to the sustainability of well-being. *Agriculture and agricultural science procedia*, 8, 441-448.
- Cruz, J. M. (2013). Modeling the relationship of globalized supply chains and corporate social responsibility. *Journal of Cleaner Production*, 56, 73-85.
- Hong, Z., & Guo, X. (2018). Green product supply chain contracts considering environmental responsibilities. *Omega*.
- Hussain, M., Ajmal, M. M., Gunasekaran, A., & Khan, M. (2018). Exploration of social sustainability in healthcare supply chain. *Journal of Cleaner Production*, 203, 977-989.
- Jadhav, A., Orr, S., & Malik, M. (2018). The role of supply chain orientation in achieving supply chain sustainability. *International Journal of Production Economics*.
- Mani, V., Gunasekaran, A., & Delgado, C. (2018). Enhancing supply chain performance through supplier social sustainability: An emerging economy perspective. *International Journal of Production Economics*, 195, 259-272.
- Mani, V., Gunasekaran, A., & Delgado, C. (2018). Supply chain social sustainability: Standard adoption practices in Portuguese manufacturing firms. *International Journal of Production Economics*, 198, 149-164.
- Morais, D. O., & Silvestre, B. S. (2018). Advancing social sustainability in supply chain management: Lessons from multiple case studies in an emerging economy. *Journal of Cleaner Production*, 199, 222-235.
- Quarshie, A. M., Salmi, A., & Leuschner, R. (2016). Sustainability and corporate social responsibility in supply chains: The state of research in supply chain management and business ethics journals. *Journal of Purchasing and Supply Management*, 22(2), 82-97.
- Raza, S. A. (2018). Supply chain coordination under a revenue-sharing contract with corporate social responsibility and partial demand information. *International Journal of Production Economics*, 205, 1-14.
- Yadlapalli, A., Rahman, S., & Gunasekaran, A. (2018). Socially responsible governance mechanisms for manufacturing firms in apparel supply chains. *International Journal of Production Economics*, 196, 135-149.
