

CSR 2.0 – Through the Lens of Engagement and Measurement

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ABSTRACT

The paper, by employing qualitative research, aims to study the CSR 2.0 environment in India by mapping the characteristics of social impact measurement methods employed by the top 50 Indian CSR companies in relation to their current engagement level in CSR. By doing so, it seeks to highlight the prominent features applied by the companies in measuring impact and to understand the methods that could be employed by them in the future in order to move this area of research from a simple concept to a developmental one. In this process, the paper also focuses on pertinent factors such as the key driver of CSR in India, the application of the concept of 'shared value', the central activities undertaken and their geographical focus, and their corresponding fit into a model of social responsibility. The study recommends a thorough understanding of the length and breadth of this topic facilitated by more primary source inputs in order to move this area of research to the next level. Also, an in-depth study of the various benefits and disadvantages faced by the Indian companies on this front have been overlooked which can be taken up for further research. While Indian CSR dives into numerous areas, future researchers can take up detailed studies on social impacts and their measurement methods that can be employed in a certain area since a standardized measure for all the areas is near impossible owing to their diversity.

Keywords: CSR, India, impact measurement, methods, characteristics.

INTRODUCTION:

As Winston Churchill rightly stated, "We make a living by what we get but we make a life by what we give." The common phrase of 'doing well by doing good' is most certainly supported by the ancient Vedic belief on the interconnectedness of all the beings of the world. In fact, it is this belief that seems to form the basis of the Corporate Social Responsibility (CSR) concept in India.

There is an eclectic platter of literature available on CSR and this assortment makes it difficult to encapsulate its definition. The heterogeneity can be attributed to the different theories that have been used to support the concept. However, in general, CSR is the unsaid responsibility that a corporate owes to the society and environment in which it is sustained. It broadly covers the economic, social and environmental dimensions. This is often referred to as John Elkington's Triple Bottom Line (TBL), i.e., the responsibility of business towards People, Planet and Profit-making (the 3 Ps) (Elkington, 2004, p.2).

Thus, the essence of a business lies in the responsibility it undertakes to create multi-stakeholder value by being sustainable, financially viable and socially and environmentally accountable. Further, this essence has been fortified by the concept of CSR 2.0 (Connectedness, Scalability, Responsiveness, Duality and Circularity) that has taken centre stage in today's business circles (Visser, 2010). The rise of this concept has been attributed to the existence of CSR in paper rather in practice. It has been explained by the performance of companies such as Enron who had all their CSR codes and reports in place, yet their transactions went amiss. All in all, businesses today must possess the clarity to understand why they are doing what they are doing in order to devise and implement their strategies accordingly.

LITERATURE REVIEW:

Two main reasons why companies undertake CSR is that it is a route to profitability and that it can be an end in itself (Raghubir, Roberts, Lemon, & Winer, 2010). This point is what is reiterated by C K Prahalad in his book 'Fortune at the Bottom of the Pyramid' which focuses on business houses selling to the poor and thereby eradicating poverty while making significant profits at the same time (Clyde & Karnani, 2015). Also, in case of revenue growth, customers are willing to buy at a premium when it is associated with socially and environmentally responsible products (Bliss, 2015). The above findings have been further proved by research. Studies conducted on UK firms have shown a significant positive relationship between CSR, market to book value (MBV) and return on capital employed (ROCE). Also, it has been found that there is no significant relationship between size, industry and CSR. This means that the value of total assets of a company does not determine its level of engagement in CSR (Adeneye & Ahmed, 2015). The increasing involvement of business tycoons to undertake CSR can also be attributed to Maslow's needs hierarchy theory i.e., the need for self-actualisation.

Carroll A. B., (1979) summarises that the total social responsibility of a business comprises economic, legal, ethical and discretionary responsibilities and these are contained in his conceptual model of social performance that requires companies to assess their social responsibilities, identify social issues that must be addressed and choose a response philosophy for the same. It has also been suggested that in the case of India, every activity that is covered under CSP needs to be measured differently in order to move research in this area from a simple concept to a developmental one (Rani & Hooda, 2013).

In fact, it is in the measurement of this taste of impact that the proof of the CSR pudding lies. As noted by Carroll, CSR in this millennium will shift beyond definitional constructs to the development of measurement initiatives (Carroll A. B., 1999). Measuring impact involves costs in terms of time and energy too. However, benefits of such a measurement also includes greater organizational credibility, higher motivation levels of employees, the pursuit of continuous improvement, stronger stakeholder relationships, powerful publicity and the proof of an ability to indeed make a difference (Meldrum, Read, & Harrison, 2012).

Also, Dhamija, (2017) has asserted that social impact and profitability can co-exist. While profitability is an inherent responsibility of any private enterprise, it is that which ensures scalability. And with scale, comes impact. Such an impact can be truly effective if the impact is built into the business rather than being viewed from an external perspective (Arakali, 2017). Therefore, Indian corporations must undertake CSR in a manner which is sustainable, scalable and result-oriented (Ernst & Young LLP, 2013).

The term social impact is used for the impact of a corporation on society on the economic, environmental and social dimension (Maas & Liket, 2011, p.2).

However, "measuring outputs is not the same as measuring success on the goal of increasing social impacts." (Kanani, 2014). While output measurement involves data collection, impact measurement involves properly analyzing the collected data to create the desired impact (Kanani, 2014).

On these lines, a paper by Maas & Liket has classified 30 prevailing social impact measurement methods based on the dimensions of purpose (screening, monitoring, reporting and/or evaluation), time-frame (prospective, ongoing and/or retrospective), orientation (input and/or output), length of time-frame (long-term and/or short-term), perspective (micro i.e., individual, meso i.e., corporation and/or macro i.e., the society) and approach (process methods, impact methods and/or monetarisation). The paper concludes with suggestions that includes conducting a comparative analyses of the methods in an applied research setting.

The Indian Scenario:

So far, in India, CSR has been undertaken either as mere philanthropy or as an extension of philanthropy. This kind of distribution resulting in passive philanthropy partially fulfills the purpose of undertaking CSR (Arora & Puranik, 2004). There have also been companies like Satyam Computers that have actively engaged in CSR and yet faced financial crises, fraud and other unsocial causes. On the other hand, there are companies like Dell and Maruti that initialize their CSR strategy by motivating their employees (Rani & Hooda, 2013).

Companies will find focus when they find a link between their philanthropic efforts and the competitive context in which they exist (Porter & Kramer, 2002).

Porter & Kramer have viewed the above strategy in the following manner. In this context, they have developed the shared value model. "Shared value is not social responsibility, philanthropy, or even sustainability, but a new way to achieve economic success." (Porter & Kramer, 2011, pp.64).

Also, in the West, while PR practioners tend to take responsibility for the CSR activities of a company, research has shown that it is the senior business managers and executives who lead CSR activities in Indian companies. Older Indian companies with a long history of CSR emphasise on the fact that the publicity trend surrounding

CSR is a new one and that the focus of their CSR activities has been on behavioural engagement with the local communities (Dhanesh, 2012). However, research has also proved that Indian managerial attitudes have changed over time and that Indian managers support government controlled environmental responsibility (Bhattacharyya, 2015).

Today, it is on these lines that the need to construct the CSR concept led to the judicial body of the country introducing it as a mandate in the Indian Companies Act of 2013. As per Section 135 of the Act, any company having a net worth of Rs.500 crores or more or a turnover of Rs.1000 crores or more or a net profit of Rs.5 crores or more should mandatorily spend 2% of their average net profit of the preceding three years for CSR activities. However, a rigid focus on compliance may usher in a state of complacency regarding ethical behaviour especially in big corporations who have the organisational capacity to deliver more than what is being stated (Bhattacharyya, 2015).

Research has also indicated that there is a strong support for the general proposition that companies should be held accountable for the impacts of their actions on the society and environment (Bhattacharyya, 2015). For a company to be accountable, transparency is of high importance. Transparency is infact reflected in the company's reporting practices. Despite a lot of attention being given to corporate social reporting and disclosure (CSR/D) at the international level, the development of the concept has been relatively very slow in developing countries like India. Thus, although CSR has been much sought after by researchers, preliminary studies revealed a gap in the research done in the area of CSR impact measurement methods in India. It is on these grounds that the paper aims to study the characteristics of the social impact measurement methods that are applied by Indian companies with a view to map probable methods that can be applied by them in the future.

METHODOLOGY:

The study has employed a qualitative research methodology. The methodology is extensively centred on secondary data from published sources such as company websites, annual reports, media reports etc. of the top 50 Indian CSR companies belonging to varied sectors. These companies have been chosen according to the 2016 CSR rankings. These rankings have been the result of the annual exercise undertaken by the partnership between IIM Udaipur and Futurescape and involved an unbiased, quantitative and analytical examination of every company's annual report, sustainability report and business responsibility report. The focus of the rankings was on four main criteria and weights were assigned to each criteria based on the outcome of a Delphi study conducted with industry leaders and academicians: Governance-20%, Disclosure-15%, Sustainability-35% and Stakeholder-30%. This has been supported by the ingredients of primary data from four semi-structured interviews of CSR executives.

The company information obtained from the secondary data sources as well as the transcripts of the interviews has been explored using the MAXQDA12 software tool.

The content analysis using the software has further been used to perform the required statistical analysis. The study has employed correlation analysis using SPSS in addition to percentage analysis using the MaxQDA12 software tool. In SPSS, Cramer's V correlation has been employed because the study deals with nominal variables where correlation has been studied between more than two variables and the number of variables that have been correlated are unequal in number.

The ontological premise of structuralism has informed the methodological choices of this study.

The results of this research exercise are presented with the help of graphs, charts and tables generated by the MaxQDA12, SPSS and Edraw softwares. They have then been interpreted after triangulating the data from different sources.

FINDINGS:

Analysis of Secondary Data:

The analysis of secondary data using the software generated results that have been studied in terms of the following factors. The findings have accordingly been listed below.

History – A large number of the companies studied commenced operations in India during 1980-2000 seemingly overlapping with the LPG period in India.

Thematic Areas – Areas that are to be covered under the various CSR initiatives undertaken by the companies have been identified as per Schedule VII of Sec. 135 of the Companies Act, 2013. The current study has revealed that education is the most preferred area in the CSR domain closely followed by environmental sustainability and healthcare.

Geographic Focus – Maximum concentration has been found in the states of Gujarat, Maharashtra and Rajasthan.

Levels of CSR – The legal dimension majorly prevails followed by the ethical dimension.

Engagement Levels in CSR – High involvement through partnerships followed by making it a part of the core business activity, using the skills and expertise of organisational resources and carrying on arm's length philanthropy.

Characteristics of Social Impact Methods –

- purpose of measurement – Monitoring followed by reporting, evaluation and screening.
- approach to measurement – Impact followed by process and monitoring.
- measurement orientation – Majorly output-based.
- time-frame of measurement – Retrospective followed by prospective and ongoing.
- length of time-frame – Short-term is highly preferred.

Relationship between the engagement levels and characteristics of social impact measurement – A larger number of measurement characteristics are significantly correlated (0.6 & above) at the partnership level of engagement. Figure 1 summarizes the findings from the analysis of secondary data.

These outcomes have been supported by the analysis of primary data.

Analysis of Primary Data:

Primary data was collected through semi-structured interviews from experts in the field. The sample size of the interviews is only four and the average duration of the interviews was one hour. The interviewees gave a lot of information and were open to probing questions. These valuable insights given by them would not have been available if a secondary study or questionnaire had been employed for the same. To this extent, it has justified its purpose. The information collected from them has been analysed using the MaxQDA12 software tool and the outcome of the analysis along with a few significant excerpts from these interviews has been summarized below.

Shared Value and Entrenchment Levels – Indian CSR is characterized by the collaborative efforts of partnerships and employee engagement is encouraged. Shared value is acknowledged as a part of responsible business. As iterated by Respondent 1, "...However, looking at operational effectiveness and efficiency extending to suppliers in such a way that it creates shared value and sharing this value with our customers is not seen as CSR but as an innate function of a responsible business." To create this shared value in today's context, Indian companies with the capacity must go beyond the 2% mandate.

Levels of CSR – They are used to define what CSR means or what each level specifically means particularly the legal dimension.

Characteristics of Social Impact Methods –

- purpose of measurement
Screening – Measurement for cost-benefit analysis or comparative study.
Monitoring – Measurement helps rectify problems, has a process approach and an ongoing orientation.
Evaluation – Measurement helps know the completion of the project and facilitates future study.
- time-frame of measurement
Retrospective time-frame of measurement helps crosscheck the goals that have been set.
Prospective time-frame of measurement helps foresee impact. As stated by Respondent 1, "The impact has a link and it is definitely measured before choosing a project."
- length of time-frame of measurement
Measurement is carried out every year.
- measurement orientation
Both input and output-based orientations are preferred.
- approach to measurement
In the words of Respondent 3, "The impact approach towards measurement is an expensive affair. We have to spend a minimum of INR 5 lakhs for a project costing INR 25 lakhs. So, we do a third party survey." The various excerpts have revealed that the impact approach though preferred is handed over to a third party for various reasons.

Funding – There are four approaches to funding where the funding cycle is either from April-March or January-December and the manner of allocation includes either a fixed or a spent budget.

Measurement Indicators – The findings state the use of 'reach' as a common metric, the non-usage of standardized metrics such as SROI and the metrics that are used in focus areas such as education.

Future of CSR – Indian CSR requires the core competencies of the organizations through a 100% effort in order to take it further ahead.

Figure 2 summarizes the findings from the analysis of primary data.

DISCUSSION:

History of the 50 Companies:

In the literature, it has been stated that a key finding of the study by (Chambers, Chapple, & Sullivan, 2003) on seven countries in Asia implies that globalisation and not westernisation is a key driver of CSR. This finding substantiates the outcome of the current study wherein secondary data collected from the sample of top 50 CSR companies in India has shown that a majority of these 50 companies began operations in India during the period 1980-2000. This period seemingly overlaps with the LPG (Liberalisation, Privatisation & Globalisation) period in India thus supporting the finding that globalisation is a key driver of CSR.

Thematic Areas:

Regarding the thematic areas that these companies concentrate on, findings from the study by (Kadambala & Chalmerti, 2016) have stated that education is the most preferred cause by the companies in India followed by environment and livelihood creation. A similar finding has been identified by (Ernst & Young LLP, 2013) stating that education is the cause majorly pursued by companies followed by environment and healthcare. On similar lines, the current study, using secondary data, has proved that the area coverage of CSR initiatives tends to have maximum concentration in education followed by environmental sustainability and healthcare.

Geographical Focus:

While the above discussion has focused on the thematic areas, the geographical focus of the initiatives by the companies has also been studied. The study by (Ernst & Young LLP, 2013) had focused on the spread in the EAG states (Empowered Action Group identified by the Ministry of Health & Family welfare, GoI) and had found that besides being a highly industrialised state, the initiatives are highly concentrated in the state of Maharashtra followed by Odisha. The current study has however focused on all the states in general and the findings have proven to be fairly similar. The geographical focus is maximum in the states of Maharashtra, Gujarat & Rajasthan followed by Madhya Pradesh and West Bengal. The reason for this could probably be the fact that the state of Maharashtra houses the financial capital of the country which is a hub for a large number of companies.

Carroll's Levels of CSR:

The paper has also made use of the conceptual model of social performance contributed by Archie. B. Carroll to the theory of CSR. The analysis of the 50 companies has shown that a majority of the companies prevail at the legal level while the economic level remains at 0%. This 0% means that all the companies in the sample fulfil their basic economic objective of profit-making and creating shareholder value. This thus implies the success of the mandate in ushering every company fulfilling their economic criteria to embrace CSR. Also, the study by (Carroll A. B., 1979) states that the model is an extremely useful tool that helps clarify and integrate various definitional strands that have appeared in CSR literature. This has been supported by the outcomes implied from the primary data which state that the levels of CSR are either used to define what CSR means to the company or to denote what each level specifically means to the company particularly the legal dimension. This outcome also corresponds with the Concentric Circles (CC/CON) Model developed by Carroll in 1971 where the four social responsibilities stated by him are neither explicitly interdependent nor hierarchical (Geva, 2008).

Shared Value and the Engagement Levels in CSR:

While the above discussion has been based on a conceptual model, the following discussion moves further to a more practical view of CSR. The engagement levels in CSR has been studied using secondary data and it has been found that companies majorly prefer to work on CSR through partnerships. This outcome has been substantiated with the study by (Selsky & Parker, 2005) which asserts that the concept of shared value is being harnessed by the increasing number of cross sector partnerships between business and government, between business and non-profits and NGOs or through tripartite relationships. These relationships help in meeting the increasing demand for CSR and enhance the efficiency of solving social problems which are multi-faceted by bringing together three different approaches to the same problem. Thus, businesses are encouraged to partner while non-profits are motivated to improve their efficiency.

This has been further reiterated by the analysis of primary data from the interviewees of the study and the

review of literature. According to (Arora & Puranik, 2004), formation of trusts and foundations by companies moves a step ahead of passive philanthropy but undermines the ability of CSR to permeate the core business processes. The study believes that the CSR strategy must be streamlined with the core activities of the business in order to enhance organisational performance and competitiveness and to fulfill the needs of both internal and external stakeholders. The current study, using secondary data, has found that 31 out of 50 companies undertake CSR through a foundation set up by the company. While this implies that Indian companies have moved a step ahead of passive philanthropy (also proved by the finding that arm's length philanthropy is the lowest level of engagement), it does not undermine the ability of CSR to permeate the core business processes because the outcomes from the primary data have stated that the mandate and the concept of shared value coined by Porter & Kramer cannot move together. To elaborate further, the shared value concept in terms of improved operational effectiveness and efficiency with suppliers and customers is viewed as that which should be an innate function of any responsible business. Therefore, in order to create shared value, Indian companies must move beyond the legal requirement of 2% specified by the mandate since the concept of shared value is not included in the mandate. However, this does not imply that shared value does not exist in the Indian CSR context. As per the findings from primary data, it is created by the collaborative efforts of partnerships. To reiterate, "Shared value is not social responsibility, philanthropy, or even sustainability, but a new way to achieve economic success." (Porter & Kramer, 2011, pp.64).

In lieu of the above discussion on the engagement levels, Figure 3 which portrays that CSR sustainability is higher at higher levels of engagement requires a revision in the Indian context since the figure has been based on findings in the western context.

Thus, the above discussion has explained the first two levels of engagement, i.e., engagement through partnership and as part of the core business activity. The third level of engagement as found by the secondary data study reflects employee engagement in the area of CSR. This has been substantiated with the outcomes from primary data which state CSR as an arena that provides employees ample opportunities to engage in causes that they are passionate about and would like to support. In this context, from the review of literature, the study by (Meijs & van der Voort, 2004) in (Haski-Leventhal, 2013), affirms that there are three main ways in which employees contribute to the company's CSR. One, by occasional/one-off fundraising events. Two, by payroll giving and three, by corporate volunteering. Companies will find focus when they find a link between their philanthropic efforts and the competitive context in which they exist. There will definitely be no inherent contradiction because when a company undertakes philanthropy in its true sense in the above manner, it will certainly gain a long-term standing in the society to pursue the same (Porter & Kramer, 2002).

Measurement Indicators:

Having found that these Indian companies heavily engage in partnerships for implementing their CSR activities, it is but necessary for them to have a healthy relationship and to maintain transparency among their partners and other stakeholders. It is in this context that the measurement of social impact has gained prominence and the same constitutes the dialogue for further discussion. It has previously been stated that every activity that is covered under CSP (corporate social performance) needs to be measured differently in order to move research in this area from a simple concept to a developmental one (Rani & Hooda, 2013). However, the findings from the primary data report that the common metric used for measurement is 'reach' owing to the diverse activities engaged in. This implies that measurement of social impact in the Indian CSR scenario is still in its nascent stage. The sheer diversity requires not only a multi method approach to measurement of social impact but also diversity in the parameters of measurement. The one size fits all approach is inadequate to measure the taste of impact of the various initiatives engaged in.

Characteristics of Impact Measurement Methods:

Based on the above discussion, the paper deals with the various characteristics of impact measurement methods preferred by the sample of Indian companies involved in the study in order to map the major characteristics of measurement that are common. It also aims to accommodate the variations which the methods employed in the future must consider.

- time-frame, its length and orientation towards measurement

Secondary data findings have revealed that the time-frame for measurement highly practised by Indian companies is retrospective in nature followed by prospective and ongoing time-frames. As stated by the findings from the primary data, the retrospective time-frame of measurement helps verify the achievement of the goals that had been set while the prospective time-frame helps foresee impact and that the ongoing nature of

measurement is more in sync with measurement for the purpose of monitoring. This can be substantiated with the finding that companies predominantly have an output-based orientation towards measurement because as stated in the study by (Maas & Liket, 2011), an output-based orientation tends to take a retrospective time-frame. However, findings from the primary data study have shown that both the orientations (input & output-based) are equally preferred by companies. But in terms of time frame they still prefer retrospective measurement.

Concerning the length of time-frame of measurement, the literature recipe states that regular short-term outputs lead to long-term trickle down effects. They subtly reflect the commitment of a company towards CSR. In the long term, practices of green washing if any will get exposed (Raghubir et al., 2010). This has been clearly substantiated by the blend of both the primary as well as the secondary data which state that Indian companies opt for a shorter time-frame of measurement (preferably 1 year or less) on a regular basis.

- purpose of measurement

A study by Gautam & Singh, (2010) states that on a general note, most Indian companies either seem unaware or do not monitor their CSR activities. However, the current study based on secondary data has revealed that the purpose of measurement is majorly to monitor the implementation of the CSR activities followed by the need to report, to evaluate and to screen the CSR initiatives. Analysis of the primary data has revealed that monitoring at regular intervals during the phase of implementation helps rectify mistakes which would otherwise be carried forward. Discussing about measurement for the purpose of reporting, the review of literature states that CSR disclosures form an important part of a company's dialogue with its stakeholders. It legitimises corporate behaviour and enhances positive corporate reputation. CSR reports help solve informational problems arising from principal-agent relationships by way of quantification and transparency. They also focus on qualitative information and thus establish corporate credibility (Perez, 2015). The need to evaluate has been supported by the outcomes from primary data which state that measuring for the purpose of evaluation helps know the completion of the activity as well as facilitates future study. Also, it has been stated that measuring for the purpose of screening helps in the conduct of a cost-benefit analysis or a comparative study. What needs to be reiterated is that it is the selection of appropriate CSR activities that is important rather than the amount of investment in them (Fatma & Rahman, 2016). This will also result in lowering the duplication of CSR activities which is widely prevalent in the Indian CSR domain especially in the sectors of education and environment (Kadambala & Chalmeti, 2016). To sum up, I understand that companies currently measure to monitor in order to facilitate reporting. However, measurement for the purpose of screening may help reduce the investment made in monitoring, since thorough screening may lessen monitoring efforts while increasing the need for evaluation to facilitate reporting as well as to guide future actions. Also, I believe that the above scenario prevails because of concentration on the operational effectiveness and efficiency of these projects as opposed to their chief intention, i.e., on the impact as explained below.

- approach to measurement

Impact is that which is beyond the output or outcome resulting from the activity, i.e., what occurs save for these interventions. The secondary data study has revealed that the impact approach to measurement is generally preferred by companies followed by the process approach while the monetarisation approach is rarely preferred. The reason for a low preference of the monetarisation approach has been given by the primary data study which states that methods like SROI (Social Return on Investment) not only impose tough calculations but the figures too can be configured to meet the requirements. While the process approach is more in sync with an ongoing orientation for the purpose of monitoring, the primary data study also states that the measurement of impact is usually handed over to a third party for reasons such as cost, nature of the project etc. This implies that while companies measure outputs based on operational effectiveness and efficiency of the CSR initiatives, their chief intention is to measure the taste of impact of their CSR pudding.

Interpretation of Correlation:

All in all, the above discussion has led me to arrive at the following existing methods that could be employed by Indian companies to measure the impact of their CSR activities. This statement has been supported by the outcome that these methods not only comprise the characteristics of social impact measurement preferred by Indian companies but also have a larger number of these measurement characteristics significantly correlated (0.6 & above) at the partnership level of engagement which as discussed earlier is the predominant engagement level of the companies that have been studied. The methods have been arrived at by juxtaposing the stated outcomes with the categorisation table given by (Maas & Liket, 2011). However, it should be noted that there could exist other methods and that the following is restricted to the findings published by (Maas & Liket, 2011).

OASIS – Ongoing Assessment of Social Impacts:

This method, as described by (Clark et al. 2004) in (Maas & Liket, 2011) was developed in 1999 by The Roberts Enterprise Development Fund to assess the social outputs and outcomes. The system is a customised, comprehensive, ongoing social management information system (MIS). It works by integrating the tracking needs of the organisation and in implementing the tracking process accordingly to monitor progress on short to medium term outcomes. For further information, refer (<http://www.redf.org/>).

Balanced Scorecard (BSc):

This method, as described by (Clark et al. 2004) in (Maas & Liket, 2011) was developed in 1992 by Robert Kaplan and David Norton. It helps measure operational performance in terms of financial, customer, business process and learning-and-growth outcomes. Kaplan has adapted the BSc for nonprofits, suggesting that such institutions adopt strategic performance measures that focus on user satisfaction. For further information, check (<http://www.balancedscorecard.org/>).

On the other hand, if screening is viewed as the main purpose of measurement, methods that can be employed include the Balanced Scorecard, Robin Hood Foundation Benefit-cost Ratio and Social Compatibility Analysis (SCA) methods.

As affirmed earlier, the non-usage of standardised metrics owing to the diverse nature of the projects being implemented implies that many more methods could develop in the near future to fulfill the needs of Indian CSR thus ensuring that it moves from a simple concept to a developmental one. Thus, the discussion of the study has revealed that while companies cannot aggregately measure the impact of all the activities owing to their diversity, standardized methods can be developed to facilitate effortless, cost-effective measurement while ensuring that this standardized framework can be customized according to need. An outline of this discussion has been illustrated in Figure 4 which represents and summarises the outcome of this paper.

CONCLUSION:

To put it in a nutshell, with CSR 2.0 taking the centre stage in business circles, Indian companies largely fit into the CON/CC model of CSR where the four social responsibilities are neither explicitly interdependent nor hierarchical. However, the legal responsibility seems to garner a larger share owing to the introduction of the mandate. The majority of the companies that have been studied have started their operations in India during the LPG period. The top CSR companies also happen to be engaged at the partnership level with a high focus in the area of education and in the state of Maharashtra in terms of geographical focus. The characteristics of social impact measurement methods highly preferred by the companies include monitoring for the purpose of measurement, a short-term time-frame, a retrospective and output-based orientation and an impact approach towards measurement. Based on these characteristics as well as the finding that there is a significant correlation between the current engagement level and these characteristics, Balanced Scorecard and OASIS methods can be employed the companies. However, as discussed previously, screening for the purpose of measurement will not only help reduce costs, but will also help them achieve the impact that they intend to create. This can be done by introducing standardised methods that are probably area specific owing to the fact that the impact of all the areas cannot be aggregated. These methods can be customised according to the diverse needs of the activities engaged in in order to move this area of study from a simple concept to a developmental one.

On a concluding note, CSR in India is fast moving towards the focus on social performance as envisioned by CSR 2.0. Further, this has been given a thrust by the rapid pace of development that the country is making owing to the impetus provided by several government initiatives. It can be safely believed that higher levels of CSR will be achieved by India Inc. in the future based on the current findings of this study. The engagement in CSR and the measurement of social impact are intuitively and inextricably linked to each other and will reflect the levels of CSR achieved. Yet, the sheer variety in the approaches to CSR will make measurement of its impact a daunting task.

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FIGURES:

Figure 1: Summary of findings from Secondary Data

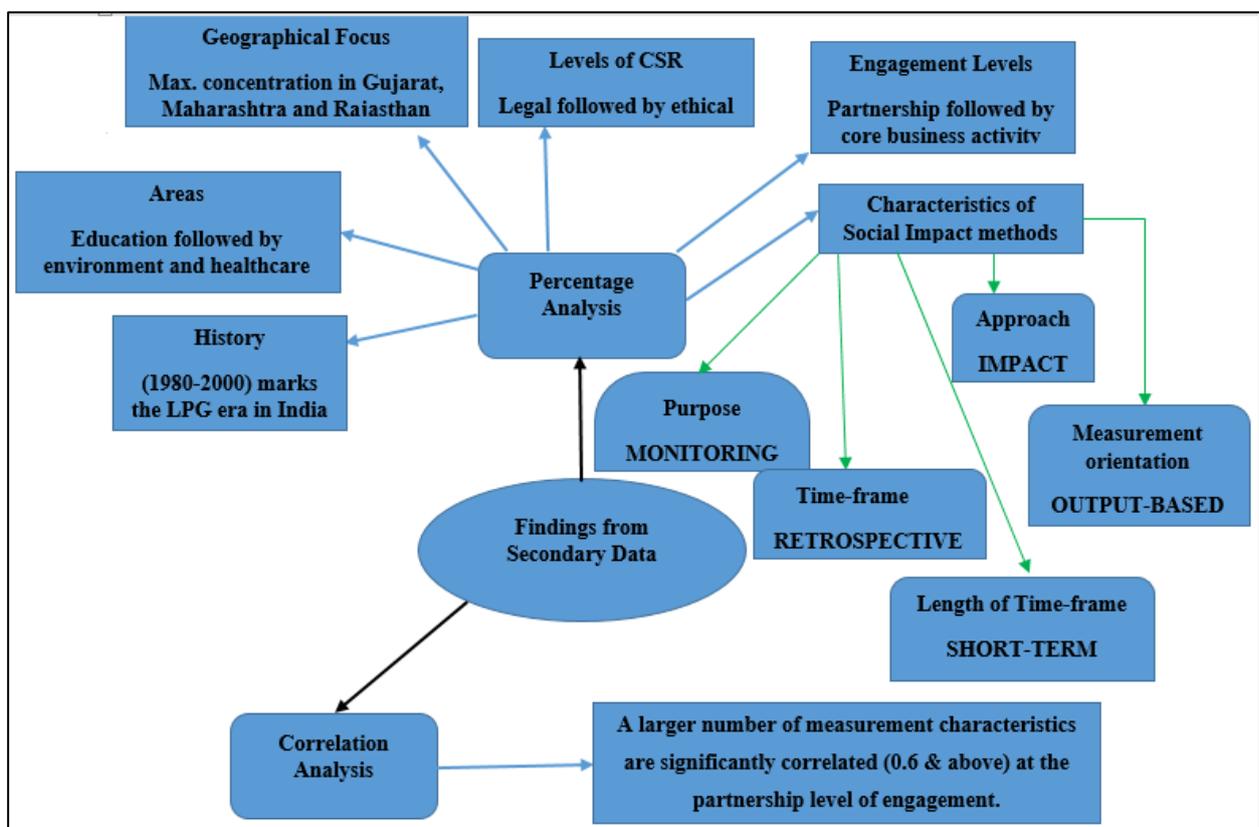


Figure 2: Summary of findings from Primary Data

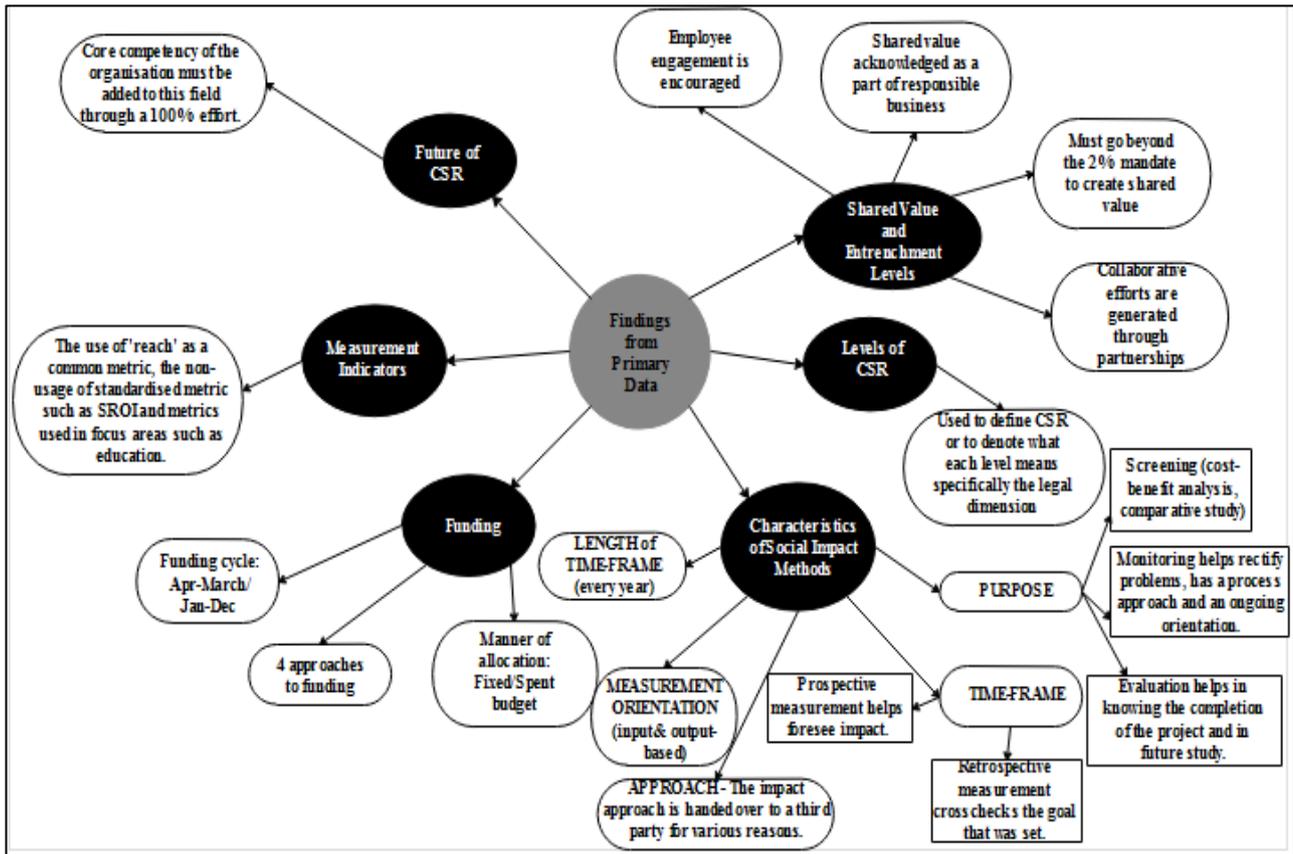
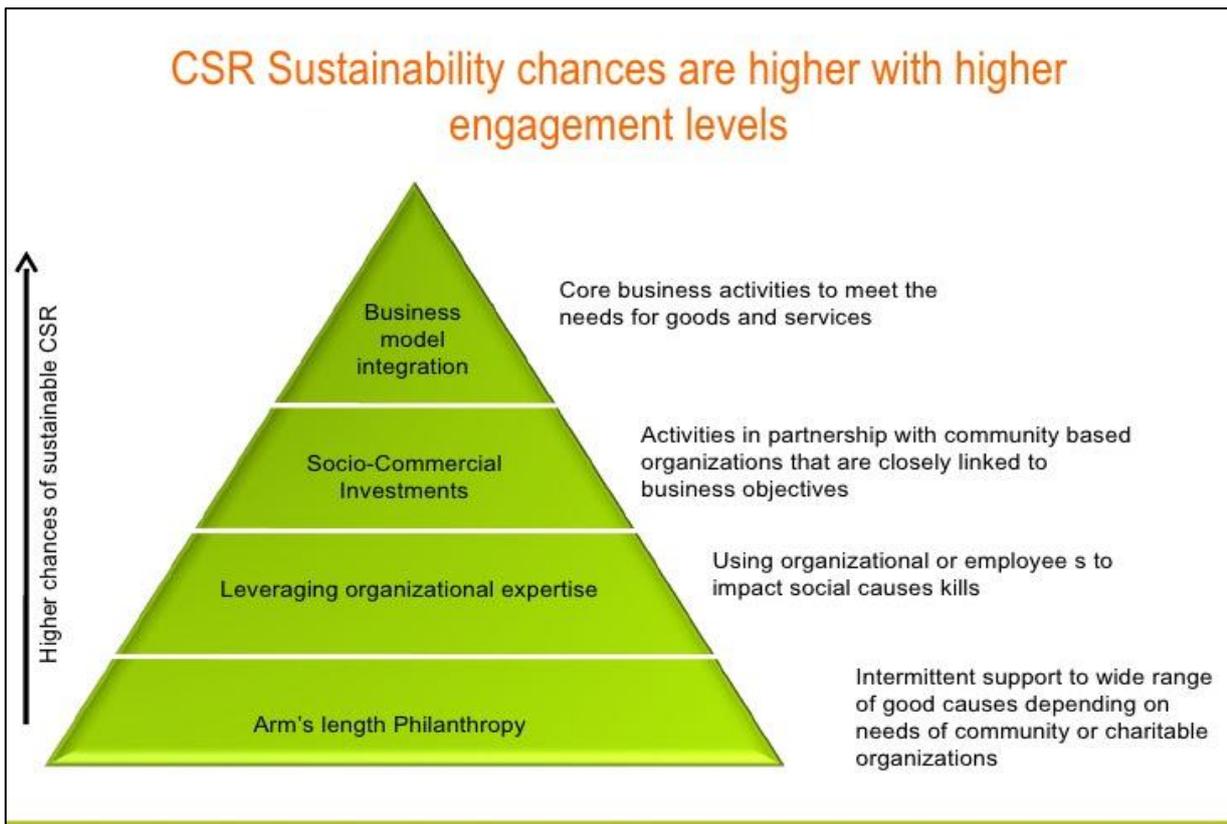


Figure 3: Levels of Engagement in CSR



Source: Google Images, LBG Canada

Figure 4: Representation of the Outcome of this Study

