
**BEST PRACTICES AND MODERN WAYS INVOLVED IN LIAISON ACTIVITIES IN GIANT
MANUFACTURING UNITS OF CHHATTISGARH**

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ABSTRACT

Corporate Social Responsibility (CSR) is now prominent and evident more than ever due to the emphasis laid on businesses regarding environmental, social and ethical issues. This is because over the recent years, there have been social, political and economic pressures on corporate management to pay attention on social and environmental consequences of corporate activities. These pressures motivated the corporate management to actively participate in a wide range of social welfare activities. CSR now-a-days covers almost all issues like the use of child labor; inequality of employment; environmental impact; involvement in local community; products' safety; company cultures; brand image and reputation. Apart from this, companies are now disclosing these activities in their annual reports, and one of the parameters to judge the performance of a company is CSR reporting. The paper focuses on modern liaison techniques that are being adopted by big manufacturing units or industrial giants for establishing a link between the social units functioning the area in which the industry is established in and the industry top level officials that formulate and chalks out plans for the preparation of detailed CSR report and implementation plan of the same.

Key-word: CSR, stakeholders, liaison officer

1. Introduction

An examination of the extensive literature on CSR that has emerged in the last four decades reveals the existence of different approaches adopted by corporate bodies in fulfilling their social responsibility. The perceptions of different stakeholders (especially corporate executives) regarding the concept of CSR; the factors that shape the existing strategies of a corporation in fulfilling its CSR mission; the barriers that prevent a corporation from fulfilling its CSR commitment; the practices adopted as part of a corporation's strategy for meeting its CSR goal and the role of different stakeholders in this strategy—each of these dimensions is an independent area of study in itself. In this article, the study has been limited the discussion to two important dimensions: (1) the inclusion of different stakeholders as a part of CSR strategy; and (2) the various CSR practices that are being adopted by firms in the present and the practices that these firms may potentially adopt in the future. CSR is as much about not polluting and being concerned about people being displaced when an industrial unit is set up beyond legal compliance as it is about supporting health or education program. Today, CSR reiterates the notion that development is not the exclusive responsibility of the government. Business, too, has a legitimate and responsible role to play. Corporate Houses have also laid great emphasis on respecting the entire development process. This means being participative, not prescriptive, creating independent rather than dependent communities and focusing on the excluded and the powerless. A review of the empirical studies of CSR in India revealed that CSR activities have been restricted to a limited set of practices, namely community development (education, health, social issues) and human resource development (British Council 2002; Kumar 2003; Gite 2006; Mathew and Gupta 2006; Sambrani 2007; Nanduri2008).

To develop effective CSR activities after the implementation of the Companies ACT of 2013, inputs from the stakeholders were needed. The stakeholders being every one involving from the share holder of the company to the people dwelling in the vicinity the company is operational in, since stakeholders are the ones that are getting directly or indirectly by every action of the company, for example a company may start a new manufacturing unit that might require implementation of such machineries which will give by products as compounds of heavy metals, these products if leaks into the nearby eco system will damage the entire ecological balance of that area resulting in unwanted genetic mutations and problems. Hence input from the stakeholders and their concerns should be addressed effectively and efficiently so as to bring the emotions and sentiments of the people in favor of the company in an ethical way without using force and only through effective emotional communications and by communicating to them the measures that company will take to prevent items and compounds being entering into the ecosystem and what all measure will be taken if any mishap unfortunately occurs. The locals will only understand the fact if communicated in their local language as it gives them a feel of closeness and brotherhood and moral boost the parties involved understand their thoughts and concerns. The company will be either taking care of the problem through their own CSR units or through CSR implementation partners to maintain the ecosystem at a extremely healthy condition but an effective CSR implementation for the same is not feasible without input from the stakeholders, hence comes in the need of an efficient Liaison officer. Efficient execution of Liaison activity which is to acts as a communication bridge between stakeholders and implementation group is at most necessary. Hence in this paper an attempt is being made to understand present ways of Liaison in the Chhattisgarh State by the major manufacturing Giants and how they do their Liaison officer function along with the best practices involved in the process.

3. Methodology adopted

To gauge the perception of the companies regarding the effective ways of liaison that is both convenient and modern at the same time a self administered questionnaire was prepared and was asked to the company officials belonging to CSR department (dedicated, After Companies ACT of 2013). The company liaison officer generally acts a useful link between the organization who is responsible for performing the CSR activities by themselves or by implementing the same through a third party meeting the criteria laid by the policy of the Government of India.

The questionnaire focused upon parameters that are listed below: -

1. Provision of Separate Social Responsibility Department for Liaison activity
2. Modern ways of accumulating ideas from the stakeholder
3. Online Outreach to the Stakeholders
4. Style of Liaison
5. Level of Liaison
6. Background of Liaison
7. Schema for Performing Due Diligence on Implementation Partner by Liaison Officer

The questionnaire focuses on the gauging the process and the style of liaison in the companies and analyzing how important is the style of liaison.

4. Analysis

The response of the officials (Representative from CSR department of the companies) from top 6 manufacturing giants of Chhattisgarh is being recorded and analyzed. The analysis of the same is discussed in detail below.

4.1 Separate Social Responsibility Department for Liaison activity

CSR coordinators acts a liaison between the local people involved with the project and the csr activities. For liaison purpose this social responsibility department either employee dedicated staffs from the company to perform the same or at sometimes heir the ad-hoc workers to carry out the same.

The presence of this department in the organization is tabulated in figure 1 and table 1

Table 1: Presence of Separate Social Responsibility Department

C1	y
C2	y
C3	y
C4	y
C5	y
C6	y

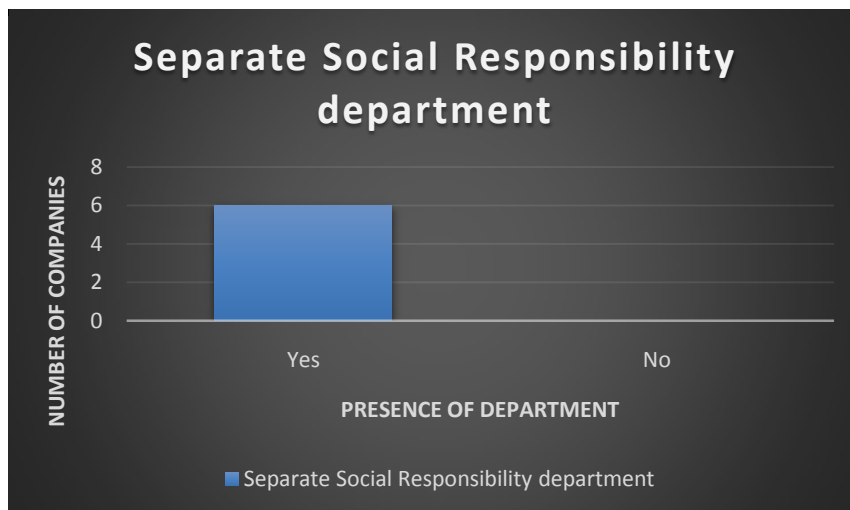


Figure 1 Presence of separate social responsibility department

4.2 Accumulating ideas from Stakeholder

In present day scenario internet has penetrated deep into our lives, companies are using social media and forum as a way to reach the mass quickly and effectively, almost all major industrial group now has a social media management cell that makes their brand reach up to the people, convey the idea and motto of the company and thus generating a positive aura for the company between the mass. This cell in certain companies works closely with CSR department so as to accumulate ideas from stake holders and shareholders with respect to CSR activity. For this generally a representative is assigned as a liaison to the site. The liaison respond to the ideas related to their assigned geography. Table 2 and figure 2 shows the presence of such liaison in the company.

Table 2: presence of an online liaison for individual geography's

C1	N
C2	N
C3	Y
C4	Y
C5	Y
C6	Y

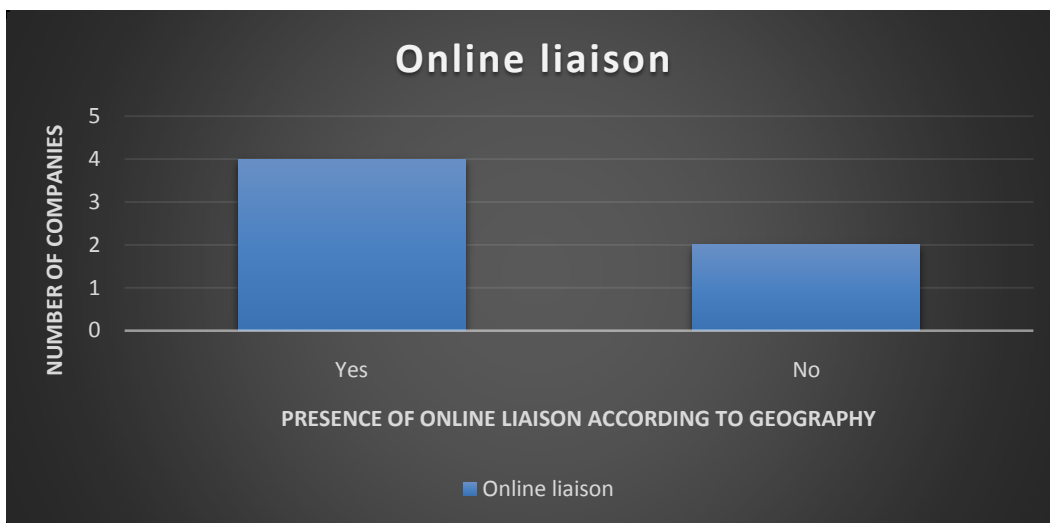


Figure 2: Online liaison

4.3 Liaison Style of CSR representative

The CSR representative can include liaison with parties (within/outside) the organisation on matters related to CSR management system. The roles may include working in or as an individual, as a team member or carrying out audit of the CSR activities. The table 3 and figure 3 shows how the liaison style of csr representative in organisations under survey.

Table 3: Style of Liaison by CSR representative

C1	Team
C2	Team
C3	Team and Auditor
C4	Team
C5	Team
C6	Team



Figure 3: Liaison style

4.4 Level of Liaison between Companies and Stakeholder

For an effective CSR activity. The company needs to have good degree of liaison between companies and stakeholders .i.e. the civic groups, pressure groups and the regulators. The companies where asked to rate their level of liaison between the stakeholder and the companies on a scale of good, average and poor. The response is tabulated in figure 4 and table 4.

Table 4 Level of Liaison

C1	Average
C2	Average
C3	Good
C4	Good
C5	Good
C6	Good

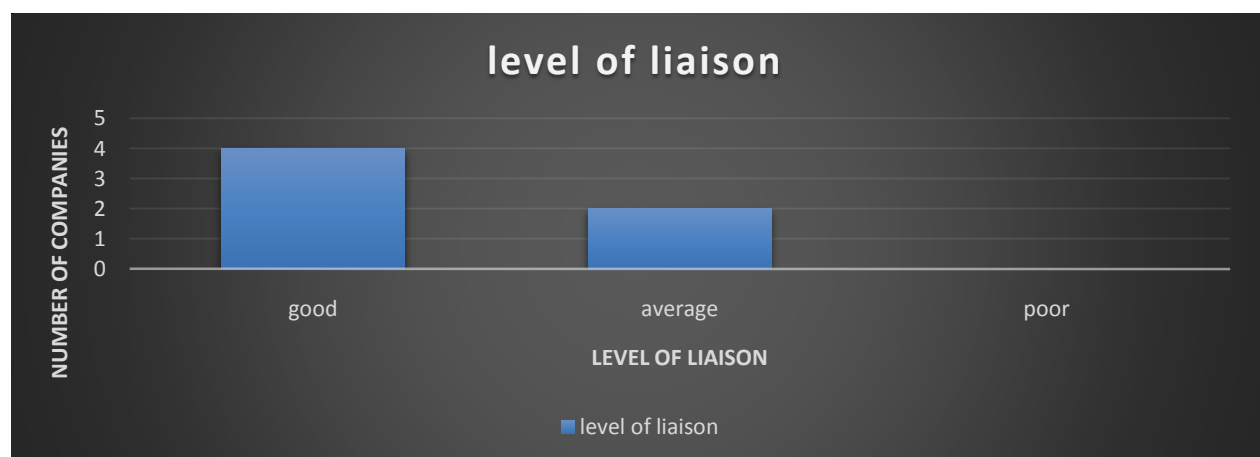


Figure 4 level of liaison

4.5 Background of Liaison officer

The liaison officer of the company should be familiar with the geography of the area and hence should be able to perceive the popular thought of the regionals and should be able to communicate

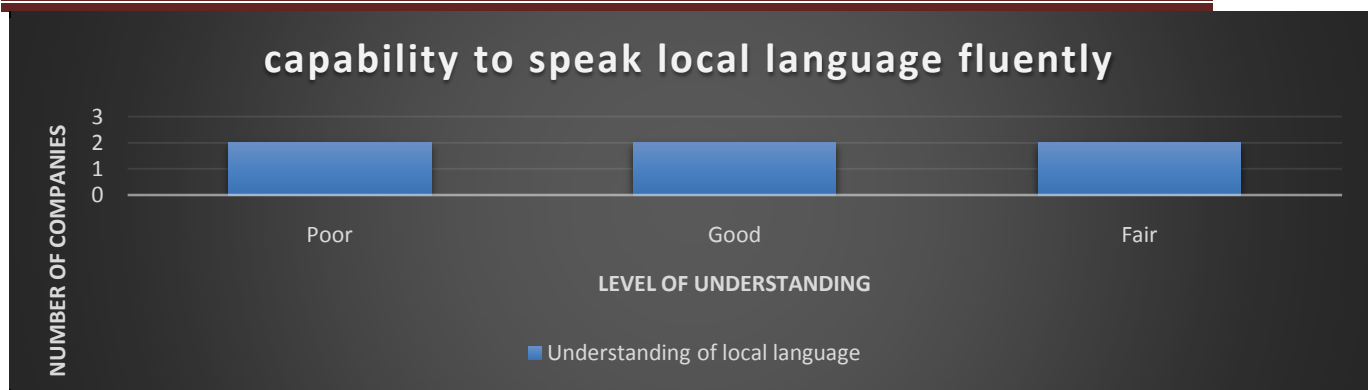
with the regionals in a proper and effective ways so as to maximize the level of cooperation and coordination between the regionals and the company. The present scenario indicates that the liaison officer is often selected through a nation/region wide exam or through employee referral programmes which significantly hinders the csr activities if the appointed liaison officer is not able to communicate effectively with local civic groups or the pressure groups the companies were asked to respond to the question about background of their liaison office on the following points level of understanding the local language, understanding the geography of the companies operation and capability to speak the local language. The response is documented as poor, fair and good and is shown in figure 5 and table 5.

Table 5 Background of liaison officer

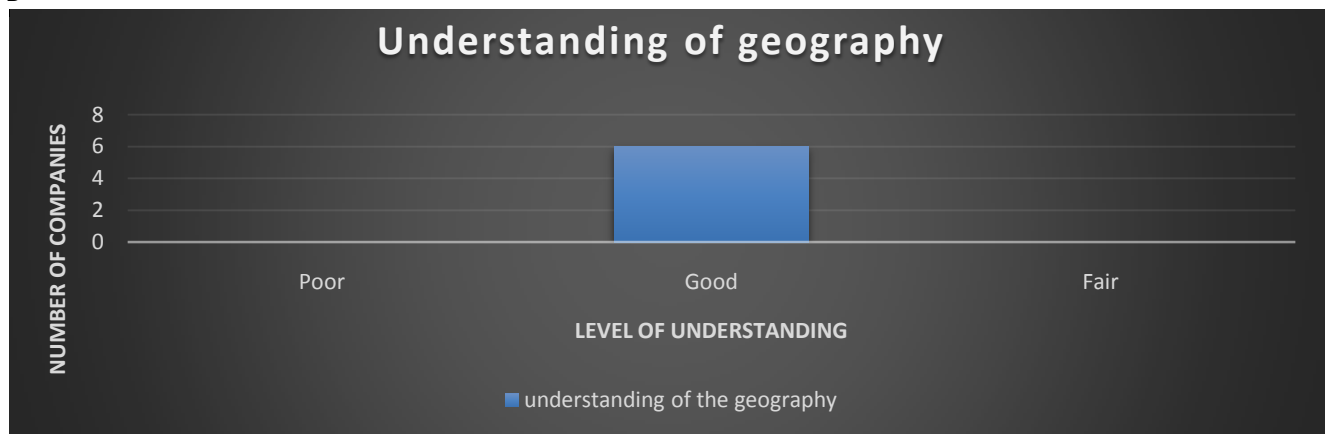
	Language Understand	Language Speak	Understanding of Geography
C1	poor	poor	Good
C2	Poor	poor	Good
C3	good	good	Good
C4	good	good	Good
C5	Good	Fair	Good
C6	Good	fair	Good



A



B



C

Figure 5 Background of the liaison officer

4.6 Due Diligence Process when implementation with Partner

The companies face a certain risks when implementing the csr activities with a partner. Due Diligence is the process performed by the companies liaison officer. The liaison officer has to see that the implementation partner prepares the plan as per the tailored needs of the corporate. The due diligence process consists of five primary areas that needs to be addressed by the liaising officer, the needs can also be considered as the investigation areas:

1. Competency of the implementation partner
2. Identity
3. Management
4. Accountability
5. Transparency and Financial Capability

The companies under survey were asked to rate each needs on a scale of 1 to 5 where 1 indicates that the parameter is of high concern, 2 the parameter is of concern, 3 neutral, 4 low concern, 5 least concerned.

The response of the companies is tabulated in table 6 A, B, C, D, E and figure 6 A, B, C, D, E.

Table 6 A: Concern for Competency

Company	Level of Concern for competency
C1	1
C2	1
C3	1
C4	1
C5	1
C6	1

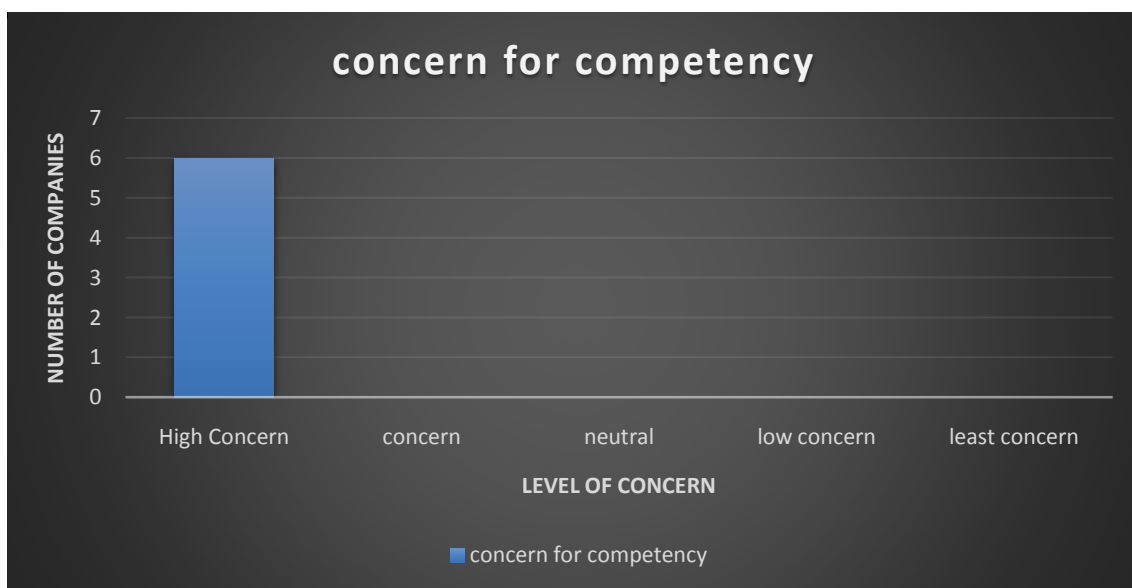


Figure 6A: Concern for Competency

Table 6 B: Concern for Identity

Company	Identity
C1	3
C2	3
C3	1
C4	3
C5	3
C6	1

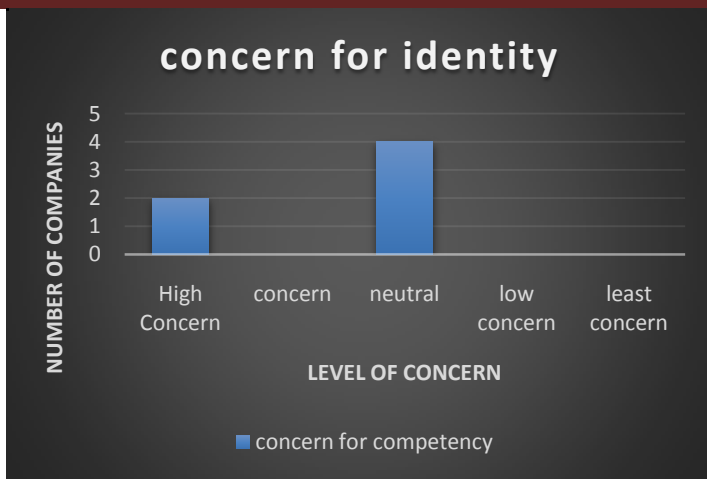


Figure 4.6 B: Concern for Identity

Table 6 C: Concern for Management

Company	Level of Concern for management
C1	1
C2	1
C3	1
C4	1
C5	1
C6	1

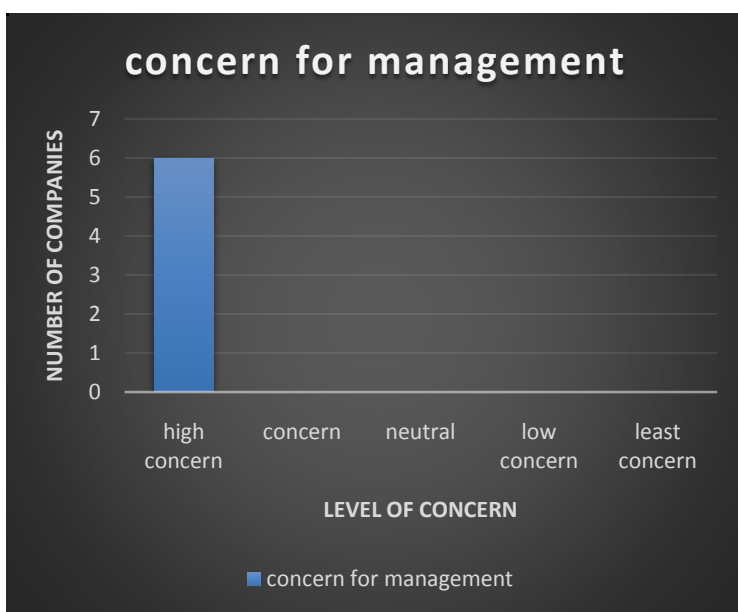


Figure 6C: Concern for Competency

Table 6D: Concern for Financial Capability

Company	Level of Concern for Financial Capability
C1	2
C2	2
C3	1
C4	2
C5	2
C6	1

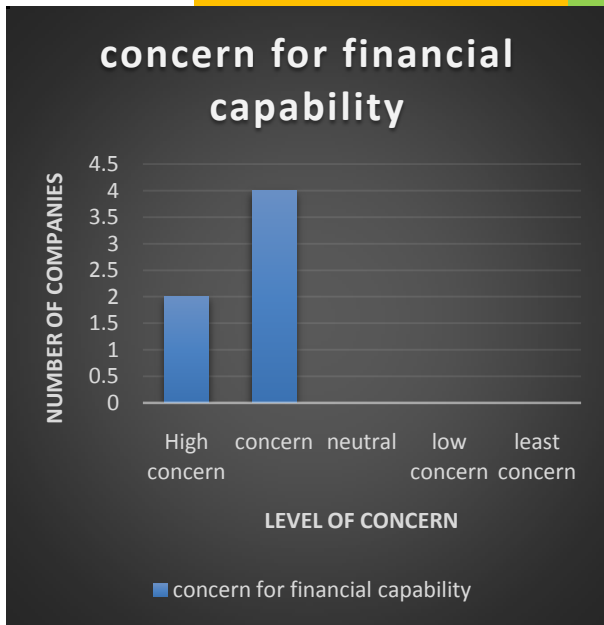


Figure 6D: Concern for financial capability

Table 6E: Concern for accountability

Company	Level of Concern for accountability
C1	1
C2	1
C3	1
C4	1
C5	1
C6	1



Figure 6E: Concern for accountability

5. Result and conclusion

The detailed analysis presented above shows the ways of liaison adopted by the companies in the region they are operation. The results of the survey conducted on 6 manufacturing giant in Chhattisgarh State. Online Liaison and outreach is adopted by only 4 companies. Liaison Style of the companies is 5 works in team and 1 company works in combination of single liaison officer providing feedback to liaison officer. Level of interaction with the locals – 2 have average rate of interaction while 4 have good extensive interaction with the liaison. Background of the liaison officer is always a major concern as interacting with the locals is one of the major roles in the job officers of 2 companies have poor command over understanding the local language. Officers of 2 companies have poor command over speaking local language and 2 have fair command while 2 have good command over local language, while all the other liaison officers have a good understanding of the geography.

The Conclusion that can be deduced from the analysis above is that: -

1. Social Networking in the modern era is a must for all the companies. The companies should have a wide footprint over the social network if it wants to bring the emotions of the people in favor of its process.
2. Online Liaison not only opens the gate to reaching the mass and interacting with them, but also invites suggestion for best practices of liaison through inputs form crowd visiting their social profile, viewing their post about the activities they are performing and expressing their positive and negative sentiments about the same.
3. Level of liaison should be increased at any cost. The dwellers in vicinity have small tolerance and any action in which they are not made stakeholder can cause serious issues such as protest.
4. Liaison officer in a company is a high rewarded job and hence people occupying the post should be of high caliber and should be capable of understanding the geography of the location where the company is operating in as well as the frequent used languages in that area. Hence the hiring process of liaison officer needs to restructured so that filter is applied at every step of the hiring and only the people with high caliber capable of representing the company gets in to the role.

5. Distribution of Geography needs to be implemented. The geography in which the company is operating might be large enough to be operated by a liaison officer and hence can be a tedious task that might result in some sort of importance leakage when it comes to addressing every stakeholder of the process. Hence a medium and media, should be adopted that can address every stakeholder of the process. One recommendation that can be adopted is that the geography can be divided into multiple regions each presided by a sub-liaison officer who are responsible for gathering and interacting with the stakeholders of the process and reports the suggestions, concern and deduced analysis to a central liaison officer.
6. Liaison officer is an important link between the mass and the company and the information provided by the officer to the company directors or its board is by default accepted as correct and authentic with least percentage of error involved in the reporting made by the officer. The officer thus has to make regressive due diligence analysis about the CSR implementation partners on the grounds of image of the implementation partner, past records and its financial capabilities and ability to work under tight schedule and minimum disposal of resources if needed.

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