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Corporate Social Responsibility: A boost to the education system

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Abstract: ***The Cabinet Committee on Economic Affairs, in its meeting held on 3rd October, 2013 approved the Rashtriya Uchchatar Shiksha Abhiyan (RUSA), a Centrally Sponsored Scheme (CSS) for reforming the state higher education system. RUSA will be a new CSS, for improving access, equity and quality in the state higher education system. It is envisaged as the prime vehicle for strategic funding of State institutions so as to ensure that issues of access, equity and quality are addressed in an equitable manner.***

Indian education sector today needs two essential elements to maintain pace with the developing world i.e. funding and project management. To cater to its growth diet, Corporate Social Responsibility (CSR) becomes one of the highly preferred strategies which will seed it with the growth capital and instil the requisite managerial experience to be relevant in this competitive era. It is a win-win situation for both the Society and the Company; corporates with direct focus on social responsibility achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers and cherish a better public perception.

Given the need to improvise the higher education segment in India, the objective of this paper is to apprise readers on the current status of higher education in India and to examine role play of CSRin nurturing this vital catalyst of Indian Growth.

Keywords: CSR, Higher EducationLiteracy,Sustainable Growth,Technology

I. INTRODUCTION

Since time immemorial, India is known as the learning seat. Prior to the modern era, India has been attracting talent since scholars from all around studied at the historic universities of Takhsila, Vikramshala and Nalanda. Post-independence, India has evolved into a strong economy with deep democratic and diversified cultural traditions coupled with human values. A significant contributor to this growth trajectory is the development in the higher education in India with an unprecedented increase in the number of Universities from 20 in 1950 to 687 in 2014*(September 2014 (UGC))* monitoring more than 35000 colleges.

A. Higher Education In India

The Indian education sector has been recognized as a "Sunrise Sector" for investment in the recent past. It is not a surprise to acknowledge some interesting facts about Indian education such as India being amongst the single largest provider of global talent, amongst top 5 countries globally in cited research output, regional hub for higher education attracting learners from across the world, 23 Indian Universities are among the global top 200 etc.

The Government of India ('GOI') is playing a pivotal role as a facilitator of this sector. Measures such as SarvaShikshaAbhiyaan (SSA), Right to Education Act (RTE), Vocationalization of Education, Saakshar Bharat etc. have seeped well into the existing system and are the nurturing elements. The higher education sector holds very promising prospects given that more than 260Mn people are the age group of 18-23 years (*Source:Statistics - Project Population as per MHRD*).

While these interventions have encouraged increased enrolment rates, considerable issues concerning the quality of education, competency, lack of accountability, irrelevant curriculum, content and pedagogy, disintermediation in assessment and certification have risen, and these challenges have serious consequences on the growth and development potential of our country. Over a period of time, this phenomenon seems to have become acceptable in the Indian education system and these limitations has become a deterrent in harnessing inclusive potential. Notwithstanding the above, on the other side of the plate, India in context to its growth period cannot ignore the burden of illiteracy cost. Tabulated data of illiteracy costs in certain emerging countries is as follows:

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Table 2.1 - Data of illiteracy costs in certain emerging countries

Country	GDP in $ (Billions)	Cost of Illiteracy in $ (Billions)
Argentina	709.70	8.52
Brazil	2,284	27.41
Chile	281	3.37
China	11,300	135.60
Colombia	467	5.60
Egypt	515.40	6.18
India	4463	53.56

Source: Report of World Literacy Foundation, April 2012

Today, education scheme also faces the rising challenges of standardized testing, strained budgets, teacher retention, and global workforce competition. In India Higher education is facing these challenges because there has been a huge demand and supply gap. India would have to nearly quadruple existing college seats and more than quadruple the number of professors to achieve the 20 percentGER(Gross enrolment ratio) by 2014 cited in theVenture Intelligence report. There is a huge gap between the Aspirations and Availability as actual growth rate in education has been 11.3% as compare to 37% required by Eleventh five year plan set by govt. (Planning Commission).

The magnitude and scale of these challenges, therefore, require intensive efforts, focus and funds from varied sources, other than the government of India. Let us not forget that by 2030, a third of world's working-age population (15-59 years) would be from India (Crisil Report: Skilling India – The billion people challenge).

II. CORPORATE SOCIAL RESPONSIBILITY- A VALUE PROPOSITION IN EDUCATION

Corporate Social Responsibility ('CSR') is a term to describe a corporate's responsible action towards the society. It refers to ensuring the success of a business by the inclusion of social and environmental considerations into a company's operations. With seeds of philanthropy, community obligation and paternalism, several Indian businesses have been setting aside a large corpus each year towards social and community causes. While most Indian CSR activity has traditionally been in a voluntary form, the GOI, realizing the potential of the Indian Corporate Sector in project management has carved a path way to achieve social and economic development by seeking a helping handfrom the worthy project managers i.e. the Corporate Sector.

The Companies Act 2013 obligates corporates (qualifying a threshold criteria[1]) to spend 2% of their average net profits on CSR. This mandate has opened doors to a wide range of sectors for the companies to divert their CSR funds into such as education, environment sustainability, women empowerment, poverty alleviation, health improvement and others. Coverage of **'Education'** in the concept of CSR has broadbased opportunities for massive development in this sector.

Identifying this potential, Samhita Social Ventures, in collaboration with Department for International Development (DFID) and Central Square Foundation, organized a conference 'CSR in Education – Ensuring Impact', in Mumbai on February 20, 2014 with the objective to assist companies in understanding the education landscape in India and seek role play in socially relevant education interventions.

As per the extant provisions, a company may meet its CSR obligations by either undertaking CSR projects on its own or by funding a third party engaged in carrying CSR operations with certain experience. Given the reliance of GOI on project management ability of companies, it is vital that necessary direction is magnetized towards development of education sector, amongst other open areas. To apprise on certain corporate action in education, an extract is produced below:

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III. CORPORATES IN ACTION

Businesses have begun to take a more targeted approach in their CSR programs and are seeking to impact areas that have a correlation with their own business goals. Corporations are getting involved in education sector for a number of reasons including Improved financial performance, Building a positive reputation and goodwill, Increased ability to attract and retain employees, Developing brand recognition, Increased consumer loyalty, To boost sales, Establish the company as an industry leader, Easier access to capital, Building a more educated workforce, Raising consumer awareness about a particular issue and Fulfilling a company mission or mandate.

Mahatma Gandhi envisioned that education should help curb social insecurity and social disharmony. A Michigan survey conducted in April 2007 by The Detroit News, The Skillman Foundation, and Your Child showed that 77% of parents think businesses should play a role in education, particularly by providing additionalresources.

Several Indian corporations have developed synergistic initiatives towardshigher education and vocational training. Indian IT and BPO industry provides employment to about 2.8 million and indirectly employs 8.9 million people. Most of them invest in educational initiatives as part of their CSR activity. The illustrative examples includeTata's Institute of Hotel Management at Aurangabad and ITC Welcome group'sHotel Management Institute, HUL's Project Shakti and other CSR educationinitiatives, ITC's e-Choupal, Reliance's DA-IICT providing graduate andundergraduate education in Gujarat and Intel's higher education programme.Certain examples are as follows:

A. TCS

1) *Adult Literacy Program*: Literacy camps imparted literacy through TCS computer based functional literacy method to 2,02,151people.
2) *Advanced Computer Training Centre:*Addressing skill deficit leading to unemployment among visually impaired in India, TCS created IT-enabled vocational courses that are in sync with the industry requirements in addition to providing training in personality development and corporate etiquette. The Advanced Computer Training Centre for Visually Impaired (ACTC) has trained 136 individuals while facilitating employment for over 100 candidates across multiple companies.
3) *TCS IT Wiz:* An annual event organized and executed by TCS associates to create IT awareness among school children. In FY2014, nearly 800,000 students from over 4000 schools across India and UAE participated in TCS IT Wiz.

B. Infosys

1) *Catch Them Young:* This is a 2 week program designed to expose bright urban youth to IT industry by conducting a summer vacation workshop at Infosys campuses. Through this program, Infosys reached out to nearly 466 children in the last 12 months.
2) *The Foundation Program:* It is flagship program that has received recognition from the American Society for talent and development (ASTD). This 21-week-long residential training program for engineering graduates has helped Infosys train software engineers who are hired directly from college. On an average 15,000 to 16,000 graduates are trained over the last three years at the Global Education Centre (GEC) in their Mysore campus. During fiscal year 2014, about 12,000 freshers were trainedSource: Sustainability report 2011-12, 2013-14

C. Accenture

1) *Don Bosco Tech:*Through this partnership with Don Bosco and ITC welcome group hotels, Accenture aims at training thousands of disadvantaged youth and helping them become employable in hospitality *sectorSource: India corporate*

D. Ernst & Young In India

1) *Akshara Foundation* - Improving numeracy and literacy outcomes in almost 30,500 children in Kushtagi and Mundargi blocks in Bangalore rural district. The EY Foundation is supporting Akshara Foundation in improving the learning proficiency in English and Math of approximately 30,500 children in the Kushtagi and Mundargi blocks in Bangalore rural district through an innovative English and Math Programme.

E. Dabur

1) *Sundesh:*The NGO initiated several education-related programmes, which have benefited over 2,000 children till date, with 1,138 children having joined formal schools. Besides, SUNDESH operates Non-Formal Education centres, Adult Literacy

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Programmes and Life Skill Training centres. Almost 2,510 women have been offered skill development training at these centres &they are now supplementing their household income.Source: Dabur, Business Responsibility Report 2011-12

F. SAP

2) *Social Sabbatical: Leveraging Talent* -SAP employees are making a difference though a new model for leadership development and social impact. SAP volunteers help high school students think like entrepreneurs and expand their thinking about the future.

G. BhartiAirtel Limited

1) *SatyaBharti*-In India, Bharti Foundation's flagship SatyaBharti School Programme further consolidated its operation across six states where it's currently running 254 rural schools that impart quality education, free of charge, to more than 38,000 children, the majority of whom are girls from extremely economically weak sections of society. Similarly, Airtel Africa's 'Our School' programme, a school adoption initiative in the continent, expanded its reach over the year to cover 38 schools in 17 markets catering to more than 18000 underprivileged children. 96% of parents with a girl child studying at SatyaBharti School wanted her to pursue higher education (compared to 74% among parents whose child goes to other schools).ource: CSR Report *2012-13*

H. DLF

DLF Foundation also administered scholarships for meritorious students from economically vulnerable sections of society and scholarships for higher education for aspirants particularly from certain districts of Haryana and U.P.; notable among these programs is the "DLF ChoudharyRaghuvendra Singh Scholarship for Excellence in Education". Grants are provided for studies in the fields of Engineering, Medical,Management, Fine Arts and for excellence in Sports. These Scholarshipsare instituted for higher education within India. The maximum amount of scholarship is Rs. 1,00,000/- for the complete academic course. Applicants arerequired to secure admission to any reputed institution within the country to beeligible for the scholarship.

I. Citigroup

Citigroup announced the formation of its Office of Financial Education, alongwith a 10-year, $200-million commitment to financial education. Since then, the company has developed curriculum programs for aspiring entrepreneurs,college students with questions about credit, and pre-scholars who are juststarting to learn about money, among others. Thousands of Citigroup employeesvolunteer their time to teach these programs, which have reached people inmore than 60 countries.

J. Indian Oil Limited

OIL instituted a chair in the memory of late KD Malviya, Ex. PetroleumMinister, Government of India in late sixties in the DibrugarhUniversity, Assam. This is one of OIL's social gestures of promoting research works in geoscientific fields relevant to exploration & exploitation of hydrocarbon forIndia's self-sufficiency. OIL contributes an amount of Rs.1 Million (USD.02Million) under its Social Welfare Programme towards the chair.

K. Rural Electrification Ltd

Providing grant in aid assistance to schools in rural/remote areas fordevelopment of necessary infrastructure like building, electricity, furniture,computers etc. They also supply study material like bags, books, stationeryetc. to children belonging to the under privileged class of the society.

L. AzimPremji Foundation

The AzimPremji Foundation till 2006 had touched nearly 20,000 schools 60,000 teachers and three million children. With over 250 professionals and over 1000 paid field volunteers, its vision is to 'significantly contribute to achievingquality universal education to facilitate a just, equitable and humane society.'The Foundation aims to deliver quality universal education across the countryby bringing systemic changes in partnership with the government agenciesand not merely develop smaller 'islands of excellence'. The Foundation hasalso set up training institutes for school teachers as it believes in improvingschool performance by improving quality of teachers and school infrastructure (Premji, 2006).

M. Microsoft

Project Shiksha(Rs.100 crore or US 20million dollar), launched by Microsoftto improve computer education in India, aims at training 80,000 school teacherswho would be educating 3.5 lakhs students across the country is an importantstep in this direction.

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N. Challenges To Csr

1) Challenge of integrating CSR with core business values and practices;
2) No tax incentive:There is limited encouragement on the tax front, since the finance ministry has denied tax break on CSR expense (subject to exceptions) incurred by a corporate;
3) Transparency Disclosure : Real expenditure Vs. Sham Show;
4) Failure to see CSR as a scope of innovation and on the contrary, major thrust on brand building and publicity;
5) Shareholder expectations, commercial pressures and
6) Management bias: Promotion of Promoter run trust and limited focus on value addition to society

O. Future Action

Transformation from status today to vision 2030 would envisage various economic policy initiatives and one is hopeful that CSR would be an active ingredient in the result formulation. Key focus to be built upon the following:

1) *CSR impact assessment:* Studies can be designed around measuring reaction of CSR activity on reputation of a corporate and their likelihood amongst the graduates and post graduates whichwould encourage further focus from companies and serve as a massive talent sourcing pool for their human resource requirement.
2) *Planned expansion of a differentiated university system:*-In the past two decades, India consciously moved to a differentiated academic system with a three-tiered structure comprising highly selective elite research universities at the top, comprehensive universities and specialized institutions in the middle, and an array of highly-accessible and high-quality colleges at the bottom. While the first tier caters exclusively to furthering India's intellectual capital, the other two focus on delivering economic and social value respectively.The differentiated system offers students a wider variety of unique and quality programs at both graduate and undergraduate levels. It clarifies student choices and effectively caters to a heterogeneous student population with varying needs and demands, while also providing them the option for inter-institution mobility through system wide credit transfer.Planned expansion helps solve for the problem of infrastructure and resources. Riding the wave of urban planning, India earmarked tracts of land in many tier-II cities to create 'education cities' which have today emerged to be thriving inner-city university campuses tightly integrated with their host cities.
3) *Paradigm shift to learner-centred education:* An Indian student in 2014 was a 'passive player' on a predefined education pathway. One has little choice in what one learnt and little say in how it is to be learnt. The curriculum was predesigned and contextuallyoutdated and seldom relevant, and the dominant mode of instruction was information-loaded, one-way lectures from the teacher to the student. Inspired by the international practice, the learner-centred paradigm of education encourages students to take greater responsibility for their learning outcomes. The professor ceases to be the fount of knowledge filling the empty receptacles of students' minds; instead, students actively participate in the discovery of knowledge. Accordingly, the teaching-learning methodology involves less lecturing and rote note-taking and more hands-on activities to allow for experiential and interactive learning.
4) *Intensive use of Technology:* The Indian higher education system has undergone massive expansion to become the largest in the world enrolling over 70 million students. Advent of distance education, virtual education has helped take higher education to millions of deserving students in far-flung areas who would otherwise have no access to university education. Technology has not only been instrumental in addressing the demand-supply gap for quality education, but has fundamentally changed the nature of several educational processes. In short, technology has been nothing short of being disruptive to glitches of Indian higher education, solving for three of India's pressing problems – access, equity and quality - at once.

IV. CONCLUSION

The key to harnessing India's demographic dividend is education. The country has emerged to be a global magnet for aspiring learners and a role model for high-quality affordable educational systems. There is a big need for investments for millions of students in India. It is universally realised that economic wellbeing and productive efficiencies can be realized with higher intellectual and professional capabilities in human beings. A good quality human resource base is extremely important in today's highly competitive environment.

Given the role of technology and the increasing internationalisation of higher education there is a need for enhanced engagement which could play a pivot role in transforming the opportunity and growth landscape. The role of CSR in education is thus mitigating

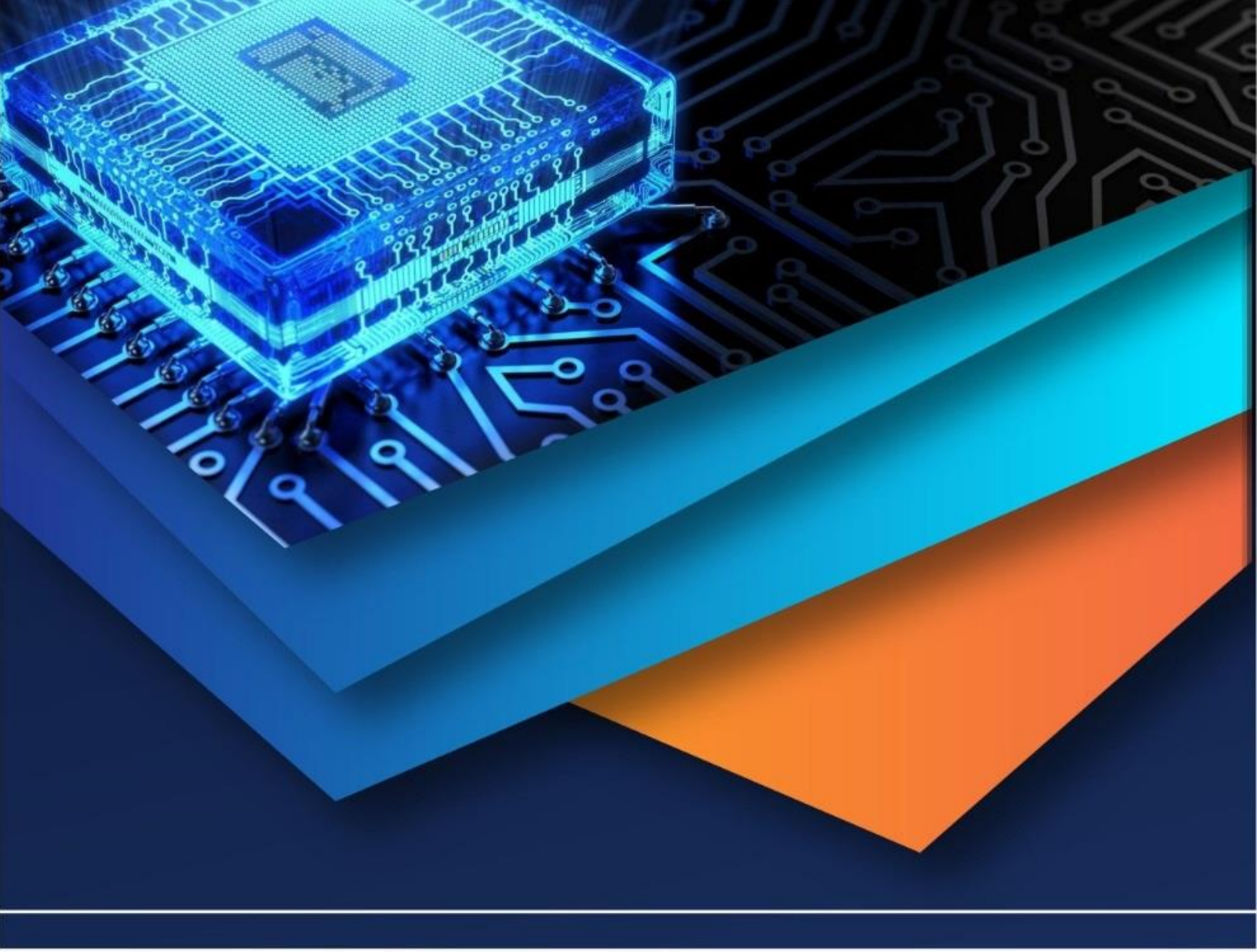
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the skills gap with considerable experimentation and providing learning-by-doing along the way. In this process both companies and society at large are likely to benefit. CSR initiatives, through partnerships between business organizations, the government, particularly at the local level, and not for- profit sector, can play a vital role in enabling increased access to higher education through both demand-side (e.g. provision of scholarships, general awareness programmes) and supply-side measures (e.g. provision of endowments, making corporate staff available as resource persons, funding research and by contributing to infrastructure). There is increasing consensus that well-designed CSR initiatives could assist companies domestic and foreign, operating in India, to sustain long-term growth and profitability, while increasing acceptability to local population. The CSR initiatives which are integral to the business and reflect enlightened self-interest are more likely to succeed than those undertaken as charity.Though opportunity comes with a time stamp, the time to act is now.

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