CSR AND CO-RESPONSIBILITY – DO THEY REQUIRE METANOIA?

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Abstract

It is not easy for an individual to be co-responsible. It is not easy for an organization to engage in CSR activities. Both are journeys. The journey towards CSR and co-responsibility requires metanoia (a shift of mind following spiritual transformation). To undertake this journey one needs to take small but bold steps. Practising the steps taken is also important. The steps are systems thinking, relearning the definition of success and failure, exercising the right and left brain, pay forward and the concept of 'buck stops at each one of us'. The paper discusses some of these ideas falling within the realm of CSR and organizational behaviour.

Keywords: CSR, Co-responsibility, Metanoia, Systems Thinking, Pay Forward.

INTRODUCTION

While understanding co-responsibility, it is important to first re-visit Corporate Social Responsibility (CSR). CSR (also called corporate conscience, corporate citizenship, social performance, or sustainable responsible business) is a form of corporate self-regulation integrated into a business model. CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. In some models, a firm's implementation of CSR goes beyond compliance and engages in "actions that appear to further some social good, beyond the interests of the firm and that which is required by law." CSR is a process with the aim to embrace responsibility for the company's actions and encourages a positive impact through its activities on the environment, consumers, employees, communities, other stakeholders, and all other members of the public sphere who may also be considered as stakeholders.

Whenever CSR is discussed at national or global levels, the most common examples often cited are Azim Premji, Founder of Wipro and Bill Gates, Founder of Microsoft. In 2001, Premji set up Azim Premji Foundation, a non-profit organization, with a vision to significantly contribute to achieving quality universal education that

facilitates a just, equitable, humane and sustainable society. The Foundation has worked largely in rural areas, to help contribute to improving quality and equity of school education. In December 2010, Premji pledged to donate $2 billion for improving school education in India. This has been done by transferring 213 million equity shares of Wipro Ltd., held by a few entities controlled by him, to the Azim Premji Trust. This donation is the largest of its kind in India. Azim Premji has become the first Indian to sign up for the Giving Pledge, a campaign led by Warren Buffett and Bill Gates, to encourage the wealthiest people to make a commitment to give most of their wealth to philanthropic causes. He is the third non-American after Richard Branson and David Sainsbury to join this philanthropy club. In April 2013 he said that he has already given more than 25 per cent of his personal wealth to charity. For Azim Premji, his mind has taken a journey; it has taken a leap to reach out to society, to do what he has done so far in the name of CSR.

Before implementing CSR initiatives, a major decision that Premji had to take was the decision of granting stock options to employees. Premji was hesitant in taking that decision. This is evident in the words of Subroto Bagchi, Co-founder of Mindtree Ltd. and a business author. His longest stint was at Wipro where he became the chief executive of Wipro's Global R&D before working for Azim Premji as Corporate Vice-President, Mission Quality. He left Wipro in 1998 to join Lucent Technologies. He left Lucent a year after to co-found Mindtree in 1999 along with nine other co-founders. Mindtree is a $435 million, Global IT Solutions Company with 11000 people at the end of fiscal year 2012-13. In his book, 'Go Kiss the World', Bagchi mentions his reasons for leaving Wipro. According to Subroto Bagchi, "The Six Sigma Movement (in Wipro) was fraught with issues, not as a basic quality standard but in becoming a way of life. One of the reasons behind this lack of alignment was Premji's inability to answer clearly what was in it for people to achieve the goal of making Wipro world class. Remember, at that time, Wipro did not practice shared wealth creation in any significant way. It did not do so until 1999".

Thus, there is a transition in Premji's mind which is very evident. His initial mindset was not to grant ESOPs (Employee Stock Options Plan). Then in 1999, he took the decision to grant stock options. And later in 2001, he started the Azim Premji Foundation. The paper compares CSR ideals in East and West particularly within the backdrop of Swami Vivekananda's visit to USA in 1993 and his meeting with John Rockefeller, industrial giant of US in 20th century.

SWAMI VIVEKANANDA - AN EARLY THINKER OF CSR

Consider another example of John Rockefeller. Swami Vivekananda's meeting with John Rockefeller is one of the lesser known facts about his stay in Chicago. The meeting has been documented although neither Vivekananda nor Rockefeller wrote or apparently spoken, at least in public about it. The impact of that meeting can only be inferred from subsequent actions.

One could not have imagined a pair more unlike each other than Swami Vivekananda and John Rockefeller in temperament, life style, social and cultural backgrounds. Rockefeller had brought up Standard Oil and was considered the richest man in the world and had all the material comforts he could have wished for. Vivekananada, on the other hand, was a penniless *sanyasin* who had renounced all material comforts, but was in a position to give great spiritual energy to anyone who met or heard him.

After the Parliament of Religions in 1893, Vivekananda had started addressing in Chicago several small groups as well as large audiences on Indian philosophy and culture. His followers included clergymen, western thinkers and rich socialites. Rockefeller had heard about Vivekananda from a friend with whom the Swami was staying, but for some reason had avoided meeting the *Swami*. Then one day, on impulse, Rockefeller went into the house of his friend and brushing aside the butler, walked unannounced into Swamiji's study room. Vivekananda was in deep thought and did not even lift his face to see who had come. Then, looking at Rockefeller, he started telling him a great deal about his past, personal details unknown to anyone but Rockefeller himself. At the end Swamiji said that all the wealth he had accumulated was not for him, that he was only a channel and was expected to serve society. He said," Why don't you give back to society what you have earned?"

Rockefeller had been making donations on a small scale but was irritated that someone should advise him in this manner. He made it obvious by walking out of the room without even saying goodbye.

Two weeks later, Rockefeller came back to Swamiji, this on his own. He produced a piece of paper pledging a huge sum of money for a public cause and said, "Well, there you are. You must be satisfied now, and you can thank me for it." Swamiji didn't even lift his eyes, did not move. Then taking the paper, he quietly read it, and saying: "It is for you to thank me". That was all. This was Rockefeller's first large donation to the public welfare.

It is not known what that cause was but some writers believe that it may well have been for the development of the University of Chicago initially founded by him four years earlier, in 1890. Needless to describe, the University has had an eventful impact on human thought. It has produced several Nobel Laureates including Milton Friedman. The meeting between Swami Vivekananda and Rockefeller must have taken place sometime in 1894. Two years later, at the age of 57, Rockefeller decided that others should take over the day-to-day running of Standard Oil. He then devoted himself to philanthropy, giving away the bulk of his fortune to "do the most good as determined by careful study' and to 'promote the well being of humanity".

If John Rockefeller revolutionized the petroleum industry, he also redefined corporate philanthropy in the United States. Fifteen years later, the Rockefeller Foundation was established to promote the well-being of mankind throughout the world. Rockefeller died at the age of 98. He wrote sometime in his late seventies, "I am sure it is a mistake

to assume that the possession of money in great abundance necessarily brings happiness. The very rich are just like all the rest of us; and if they get pleasure from the possession of money, it comes from their ability to do things which give satisfaction to someone besides themselves."

On the joy of giving he wrote, "It should be a greater pleasure and satisfaction to give money for a good cause than to earn it, and I have always indulged the hope that during my life I should be able to help establish efficiency in giving so that wealth may be of greater use to the present and future generations."

For Rockefeller too, his mind has taken a journey, it has taken a leap to reach out to society, to do what he has done so far in the name of CSR. So, for both Premji and Rockefeller, the concept of giving has come over time. It requires what Peter Senge in his book, 'The Fifth Discipline' calls, Metanoia – a shift of mind. It means a fundamental shift or change, or more literally transcendence of mind. To give, as part of CSR requires a shift of mind.

THE CONCEPT OF GIVING – COMPARISON WITH A WESTERN BOOK AND AN INDIAN MODEL

"All giving is not a debt we owe, but, instead, is a seed we sow".

"Most people just laugh when they hear the secret to success is giving. Then again most people are not nearly as successful as they wish they were."

The book 'The Go-Giver', a business parable by Bob Burg and John David Mann, transforms the way the world does business. There seems to be a new trend in business literature that emphasizes that if human goodness is the core value of a business, success and riches will follow. The book continues that trend. The blurb on its front page "A Little Story about a Powerful Business Idea" does not even begin to describe the impact the book can have on business, and as with all good parable, on one's life.

The parable revolves around a young go-getter, Joe. In spite of all his efforts he is unable to reach the career heights he has set for himself. He is then introduced to this hugely successful person who goes by the name Pindar. Pindar teaches Joe his trade secrets - that comes in the form of five laws - over a period of one week. As the name of the book suggests, the story teaches one to first start giving before one can start receiving. In the course of one week, Joe gets to meet five people - including a surprise guest - who explains to him an aspect of business (and life) by a personal example.

The five laws, called *The Five Laws of Stratospheric Success,* are beautiful in their simplicity.

They are

(i)   The law of value

'Your true worth is determined by how much more you give in value than you take in payment'.

(ii) The law of compensation

'Your income is determined by how many people you serve and how well you serve them'.

(iii) The law of influence

'Your influence is determined by how abundantly you place other people interests first.'

(iv) The law of authenticity

'The most valuable gift you have to offer is yourself.'

(v) The law of receptivity

'The key to effective giving is to stay open to receiving'.

A leading Indian Management Thinker whose academic contributions to development of Indian management thought are widely acknowledged is Dr. Subhash Sharma. Dr. Subhash Sharma is an acknowledged new age management thinker and has made a number of scholarly and creative contributions to the development of Indian management thought. His significant academic contributions towards a creative synthesis of Western and Eastern concepts in management and social thought have received wide attention and acknowledgement by many reputed scholars.

Dr. Sharma has authored well-known and path-breaking books, viz. *Creation from Shunya* (1993), *Management in New Age: Western Windows Eastern Doors* (WWED) (1996, 2006), *Quantum Rope: Science, Mysticism and Management* (1999) and *Arrows of Time: From the Blackholes to the Nirvana Point* (2001) and *New Mantras in Corporate Corridors* (2007). A number of his scientific and spiritual verses are quite popular among his students and professional managers across the country.

Giving is compared to Dr. Subhash Sharma's model of G/T ratio. G/T ratio stands for Give / Take. How much one gives and how much one takes from the family, organization or society is a widely discussed idea. If G/T is greater than one, it implies that the person gives more than what he/she takes from the organization or society. This in itself is an indicator of inner motivation and the satisfaction one derives from the very act of giving more than what one takes. It is nature's nature to give more and take less. For example, sun gives light to all, its G/T ratio could as well be considered close to infinity. Individuals with high G/T ratio must be recruited to improve the performance of organizations. It may also be indicated that G/T ratio also provides an ideological foundation for 'Corporate Social Responsibility' as it indicates what a corporate is 'giving' back to the society from which it takes various sources.

This model is the key for the 'Ego to Eco' transformation as it suggests converting *'ahamkaara'* (ego-oriented worldview) into *'aumkara'* (eco-oriented worldview). G/T ratio of ego-oriented managers and leaders is less than one, as they give less and take more. In contrast G/T ratio of eco-oriented managers and leaders is far more than one as they give more and take less. For transformation from 'power to empower', mindset of managers should change from ego to eco.

The reason 'Giving' as a concept is compared to a Western and Indian perspective is to indicate how strongly the concept is rooted in society and business.

JOURNEY TOWARDS CO-RESPONSIBILITY

Co-responsibility also requires metanoia. Bringing about this shift of mind is a journey of taking small but bold steps. After taking the steps, one needs to practice it too. The underliying steps include: systems thinking, relearning the definition of success, exercising right and left brain, pay forward, buck stops at each one of us.

Systems Thinking: A cloud masses, the sky darkens, leaves twist upward, and we know that it will rain. We also know that after the storm, the runoff will feed into groundwater miles away, and the sky will grow clear by tomorrow. All these events are distant in time and space, and yet they are all connected within the same pattern. Each has an influence on the rest, an influence that is usually hidden from view. You can only understand the system of a rainstorm by contemplating the whole, not any individual part of the pattern.

Business and other human endeavours are also systems. They, too, are bound by invisible fabrics of interrelated actions, which often take years to fully play out their effects on each other. Since we are part of that lacework ourselves, it's doubly hard to see the whole pattern of change. Instead, we tend to focus on snapshots of isolated parts of the system, and wonder why our deepest problems never seem to get solved. Systems thinking is a conceptual framework, a body of knowledge and tools that has been developed over the past fifty years, to make the full patterns clearer, and to help us see how to change them effectively. When we draw a picture of a tree, most of us will not draw the roots. Yet the roots of a tree are as vital or perhaps more than any other part. In the forest, moreover, the roots of all trees are inter-connected and form a dense underground network in which there are no precise boundaries separating individual trees. It is best understood within the backdrop of the five disciplines of learning developed by Peter Senge.

If we are able to practice systems thinking, it will help in making us co-responsible. Be it an issue of global warming, or environmental pollution, or corruption if we are able to connect the problem to a wider net, we are able to appreciate it much better. Accordingly, a need develops in us to act and deal with issues co-responsibly. The realization that we are co-responsible for the problem will induce an action in us to act co-responsibly.

Relearning the definition of success and failure: True success happens when we allow others around us to be successful as well. In the same way, when there is a failure, we must realize that it is everybody's failure and we are all jointly responsible for it. Be it an

issue of terrorism, corruption, global warming or any other – we are all jointly responsible for it one way or the other. There is a need to redefine the definition of success and failure. Then practicing systems thinking becomes easy and co-responsibility comes naturally.

Exercising right and left brain: To act co-responsibly and think co-responsibly, we need to look at issues beyond rationality and logic. The problems must be looked at with an emotional aspect also. If rational and emotive factors are both considered, then we feel the need to work in a co-responsible manner. Therefore when both the right and left brain are exercised, then as responsible citizens we see the need to act co-responsibly.

Pay forward: It is often said that CSR is a way of giving back to society. Even in Hindu culture and ethos, there is a practice of *Deva rin* (debt to God), *Rishi rin* – (debt to rishis or sages or saints), *Pitri rin* – (debt to ancestors), *Nri rin* (debt to humanity at large or society) and *Bhuta rin* (debt to sub-human living species). Why can't there be a new 'Pay forward' system for our children and the next generation to come, instead of looking at it as a 'give back' system? It is high time we make the world a better place to live, by adopting a practice of 'pay forward'. This attitude will inculcate a feeling of co-responsibility and also make us act in a co-responsible way.

Buck stops at each of one of us: Be it a social, economic, political or environmental problem, it is very easy to shift the blame to the government or to any one else for that matter. But instead when we realize that the buck stops at each of one of us, then it becomes easier to change our perspective and act co-responsibly.

If each of these small but bold steps are taken and practiced, it will ensure a giant leap of mind. It will bring in metanoia, a mind shift which will make one to act in a co-responsible way.

CONCLUSION

We see that the journey towards CSR and Co-responsibility requires *metanoia* or a shift of mind. To make this journey one needs to not only take the small and bold steps, but also practice it. The steps are systems thinking, relearning the definition of success and failure, exercising the right and left brain, pay forward and the concept of 'buck stops at each one of us'.

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TANSEN A MUSICIAN OF UNPARALLELED EXCLLENCE

In the history of Hindustani music, Tansen's name occupies very unique place. Born during Moghul regime to a Brahmin poet, Makarand Pande and his wife with the blessings of a sufi-saint, Muhammed Ghaus, the child was known by various names, both Hindu and Muslim. It was Maharaja Ramniranjan of Gwalior who conferred on him the name of Miyan Tansen, a name by which he is most well-known till date. Tansen had his training in music from the great ascetic scholar, musician and composer, Swami Haridas of Vrindavan. Soon after he became an accomplished musician, Tansen was made the court-musician by the Rewa ruler, Ramsinghji. Arising out of his rapidly spreading name and fame, Emperor Akbar called him to his Court and made him one of the nine jewels (*navratnas*) of the Imperial Court.

In fact, with his contribution and those of other distinguished musicians of his times, the art of Hindustani music reached pinnacle of its glory during Tansen's time. It was he who perfected and popularized the dignified and difficult *Dhrupads*. Tansen's music followers sang only *Dhrupads* and are known as the descendents of the *Senya Gharana*. Tansen's contemporaries included galaxy of brilliant poets and musicians such as Naik Biju, Tulasidas, Ramdas, Meerabai and Surdas. He was not only a great *Dhrupad* singer but also a very distinguished lyricist and musician. He also wrote two very famous books on Indian music "Sangeet Sara" and "Ragmala". When he breathed his last, Tansen's entire family including Emperor himself were by his bedside. To commemorate his memory, Department of Post, Government of India issued a multi-colour stamp along with the first day cover and biographical sketch on December 12, 1986.

Source: Philately Branch, *Tansen,* Information Sheet (Brochure), Department of Posts, GOI, New Delhi, December 12, 1986.