

CORPORATE SOCIAL RESPONSIBILITY: A (NON-CLICHE) PRIMER



It has been six years since the 2013 CSR law mandated certain companies to start spending a stipulated amount towards social responsibilities. While compliance and implementation have been getting streamlined with each passing year, there are many questions that are asked by the curious: Which corporates have the most impactful CSR programme? What is a typical CSR cycle, from genesis to completion? What makes a good CSR programme? Why do some programmes fail? What has been the impact of India Inc. CSR in the last 5 years? Who are the biggest beneficiaries of CSR? Where are the biggest gaps today in CSR in terms of demand and supply?

Since 2009, we at Sattva have worked with 70+ corporates on their CSR programmes in a multitude of capacities: To define the CSR strategy of a company, to on-board the most relevant partners, to measure impact of existing CSR programmes, to audit programmes, to design employee volunteering programmes and to be strategic advisors and partners to the CSR unit as a whole.

As an organisation that has been in the space for the last ten years, what have been our biggest learnings? And how are those learnings helping to shape our CSR practice this year?

1. The range in the CSR maturity cycle is large: While some have set systems and are pivoting towards innovation in their programmes, some still don't have their focus areas/strategies defined.

While mature, corporate giving organisations such as the Tata Group, Reliance Industries and L&T have developed internal processes and standards to execute corporate giving, the ecosystem by and large is still in the process of developing standard practices and processes to execute effective CSR. Even today, many CSR functions share resources with other functions such as Legal, Finance, Marketing or HR. Many companies still lack a dedicated CSR team. Institutes like Indian Chamber of Commerce have started courses on



CSR. However, in our view, knowledge is yet to be standardised across organisations, systems and programmes.

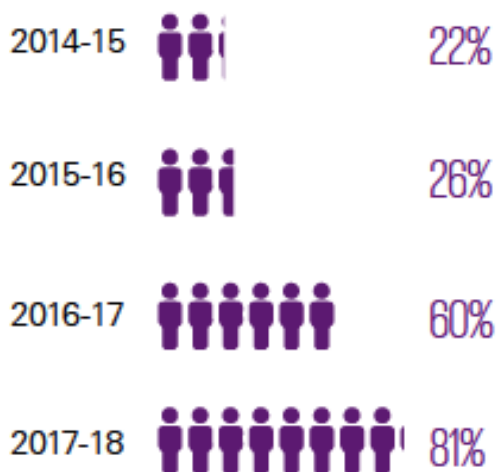
2. Six years into the law, many CSR teams are looking to make data-based portfolio strategy and fund allocation decisions, to ensure highest impact from their CSR investments.

Based on Sattva’s analysis and projections, the market for CSR has the potential to unlock more than INR 30,000 crore by 2021. As companies grow and become compliant under the law, the need to identify focus areas and regions, and subsequently, to find implementation partners for their CSR programmes will increase. But the existing ecosystem does not support effective matchmaking between NGOs and corporates based on their CSR focus. Companies are also struggling to identify what sectors to focus on that align well with their strengths – in terms of the products and services they provide.

According to the annual State of CSR report by KPMG, 44% per cent of the companies have reported a delay in implementation or exploring opportunities as their reasons for not being able to comply with the law, or having spent less than the prescribed amount on CSR in 2017-2018.

3. There is an increasing focus on outcomes and impact created, along with compliance to spend the required amount by the CSR law.

Though the law does not mandate reporting of numbers of people benefitted, it is heartening to see that more and more companies have started to report on people impacted in their CSR reports.



(Source: [IDROnline](#))

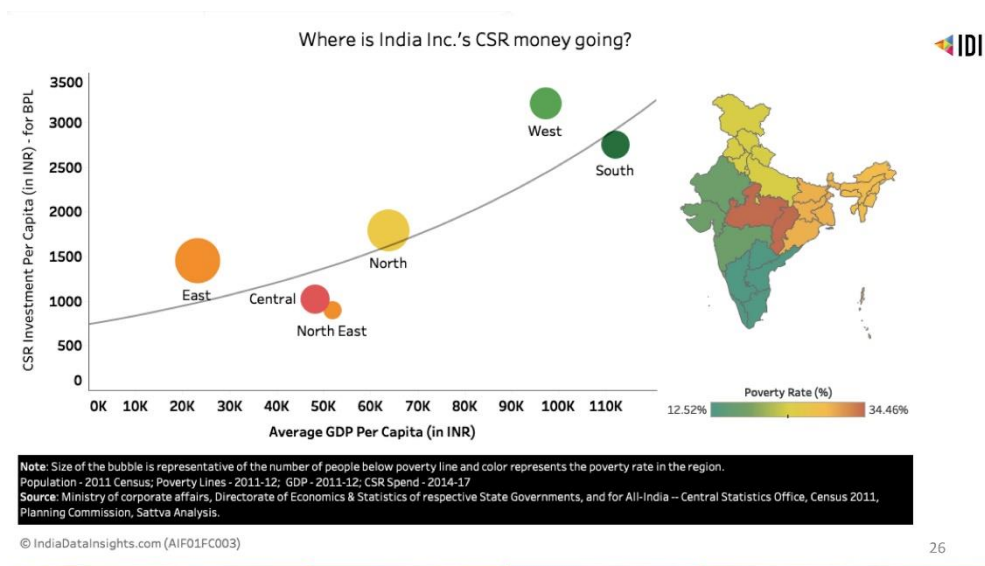
However, companies are often still confused between output and outcomes. It is not merely enough to evaluate the success of their CSR programmes on the basis of number of people impacted, but it is also important to know what kinds of change their programmes created on-the-ground, in the mid-term and long-term.

How can Sattva help?

- As CSR cycles are maturing, the focus is now on making programmes more efficient. ***We are excited to announce that Sattva has developed its technology platform SHIFT***, that we envision to be the fulcrum of our CSR advisory services. We have channelled years of CSR experience advising clients on their programme design, implementation, management and evaluation into this innovative technology platform to help corporates and NGOs translate their intent into real on-ground impact. We will cover SHIFT in more detail in our next volumes of this CSR compendium.
- ***Sattva’s proprietary CSR framework has been developed to address this lacuna.*** Over the last 5 years, we’ve used this framework to help 30+ clients define their CSR strategies, focus areas and programmes thereof [We will cover this in further detail in our next volumes]



- ***India Data Insights (IDI) is Sattva’s in-house data visualisation platform to guide corporates make informed decisions while building programmes – a snapshot from the IDI platform below***



Source: India Data Insights - Geographies and CSR Spend v/s Poverty Rate

This is a foreword to a 24- part annual compendium that will be published over the course of the next 12 months.

Sattva has been working with various corporate clients to help them define their social impact goals and maximise the return on social investment. Our focus is to solve critical problems and find scalable solutions. Several corporates have been a partner to many such collaborations where effective CSR programmes have strategically aligned with business and have provided meaningful solutions to social issues.

- To read more about our work with CSR, check: <https://bit.ly/2G9g2UZ>
- Talk to us: impact@sattva.co.in

Author: Sulagna Datta

Sulagna is an Engagement Manager with the Consulting Services team. Sulagna leads large scale implementation of projects with a focus on Education Technology and grantee management.

Prior to Sattva, Sulagna was an investment research analyst at Goldman Sachs, in the automotive sector. But she was always involved with the development space. She interned with Teach for India and was also a curriculum adviser for a Bangalore based Ed-tech start-up called VChalk. In 2016, her team was one of 6 finalists out of 900 applicants globally to be invited to Washington, D.C to present a paper at the World Bank.

Sulagna holds an MBA from IIM Kozhikode, a B.E. from I.C.T, Mumbai, and a Graduate Certificate in Public Policy from Takshashila.