Block

2

CSR CULTURE AND DIVERSITY

BLOCK 2   CSR CULTURE AND DIVERSITY

Block 2 **CSR Culture and Diversity** consists of four units.

Unit 1: **Employer Perspective** discusses the concept of leadership, the roles and responsibilities of a leader, CSR and leadership and it also gives examples of how effective leadership has led to effective CSR. It also discusses the role of HR in CSR and the importance of training and development. It also talks about how the employee's performance appraisal can be linked to their involvement in CSR commitments of the company.

Unit 2: **Employee Engagement** discusses the concepts of employee engagement and corporate branding and also about the relationship between the two. It also discusses the connection of these two concepts with CSR.

Unit 3: **Entrepreneurship and Welfare** discusses entrepreneurship and social enterprise model. It also discusses human rights, social exclusion, various types of exclusion, importance of social inclusion. It also discusses how welfare leads to economic growth.

Unit 4: **Rehabilitation and Resettlement** discusses various issues related to rehabilitation and resettlement. It also discusses the various steps involved in formulation and implementation of R&R plan. Integration of CSR and R&R is also discussed.

UNIT 1   EMPLOYER PERSPECTIVE

Structure

1.1   Introduction

1.2   Leadership in CSR: As an Employer

1.3   HR Mapping in CSR

1.4   Training and Development of Employees

1.5   Performance Appraisal by Employer

1.6   Let Us Sum Up

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1.9   Check Your Progress - Possible Answers

1.1   INTRODUCTION

Business organizations are expected to create wealth, create market, generate employment, innovate and produce a sufficient surplus to sustain their activities and improve their competitiveness. On the other hand, society is expected to provide an environment (resources, i.e., people, raw materials, services and infrastructure) in which business can develop and prosper. Therefore, business depends on society for its survival and long-term prosperity.

Corporate Social Responsibility is a not a new concept for India wherein-

Corporate   –   means organized business

Social   –   means everything dealing with people

Responsibility   –   means accountability between the two (i.e., corporate and society).

It means undertaking all actions as would maximize the probability of long term survival and sustained growth of a business house. The term 'Corporate Social Responsibility' is often used interchangeably with corporate responsibility, corporate citizenship, social enterprise, sustainability, sustainable development, triple-bottom-line, corporate ethics, and in some cases corporate governance. As far as the corporate is concerned, an important parameter characterizing a good corporate is its responsibility towards its employees. In this unit we shall discuss the employer's perspective of CSR. After reading this unit you will be able to:

- Discuss the essentials of good leadership

- Explain the role of good leadership in effective CSR

- Discuss the role of HR in fostering CSR

- Describe strategies to develop workplace talent

1.2   LEADERSHIP IN CSR: AS AN EMPLOYER

CSR is mainly about commitment to moral values, ethical conduct of business, responsible exercise of power, transparency and regular monitoring of performance. Leadership involves developing and communicating a vision,

making wise decisions in short term for better future, motivating and inspiring the followers/employees, treating all stakeholders equally and creating an ethical and social culture within the organization.

Leadership and CSR are two separate issues but we can't have one without the other. Leadership as a process shapes the goals of a group or organization, motivates behavior towards the achievement of those goals, and helps define group or organizational culture. It is primarily a process of influence. Nowadays, leaders are facing economic, social and environmental challenges. In this complex global environment of uncertainty and ambiguity, leaders have to anticipate the changes and to be catalysts for shifting their organizations towards building a sustainable society. In order to create and maintain sustainability, intersection of leadership and ethics is a must. Such ethics commonly known as business ethics or corporate ethics refer to the application of ethical principles to business relationships and activities, thus, governing the way a business runs. Leadership has a vital role in promoting ethical behavior and inspiring an organization to work for social responsibility. Many corporate scandals in India and abroad have taken place due to fraud, lack of transparency, inadequate disclosures, unethical business conduct and behavior by their leaders. Therefore, leaders should always strive for maintaining an organization which works not only for earning profit but also equally for promoting its social responsibilities.

In the CSR context, it is well-recognized that several projects are headed by corporate leaders, therefore leadership structures clearly matter for CSR – and neglecting these, runs the risk of CSR failing. Leadership is an important approach for successful CSR implementation. We must educate our leaders to be ethical, re-appraise the misguided nature of valuing material goods in place of human beings and the environment, and create a worldview which embraces sustainability and global justice. Once we do that, everything else will be easy. A leader's characteristics and behavior play an important part in the creation of CSR. A focus on individual traits (e.g., personality) and perceived behaviours and leadership styles describe the leader's role at the individual level of analysis.

1.2.1 Leadership Defined

Leadership is defined as the ability to influence a group of employees' values, beliefs, attitudes and behaviour. A leader with strong leadership skills can easily motivate and influence the employees of the organization and apply effective changes to the organization. According to Atkinson, if there is no effective leadership in an organization no changes will be made, because there are no leaders that motivate and lead the organization's employees as well as provide a clear direction for the organization.

1.2.2 Essentials in Leadership

a) Trust

Trust is an essential issue in leadership, as gaining the trust of group members or employees could help to improve the overall performance and commitment of the employees. If the employees or the group members trust their leaders, it reflects that they are good, effective leaders. Only when the employees place trust in their leader will then change be brought about, because people will only follow a person that they trust to lead them to the correct path; not a leader that

only talks but without action to back up their words. If the employees trust their leader, this relationship will bind them together and improve the overall performance and commitment of the employees; if it happens conversely, the performance and commitment of employees will go downhill and could cause high employee turnover rate in the organization.

b)   Organizational Culture Leadership

It can shape a good culture. A culture is shaped with the trust between employees and leaders of an organization. Employees and leaders in the organization need to trust each other in order to shape a positive organizational culture. Leaders with strong leadership skills are able to shape a positive culture in the organization, due to which they are able to inspire trust in their employees. A positive organizational culture not only improves performance, but also influences behavior and attitude of employees in the organization for the better. In addition, it motivates employees and gives them a sense of belonging to the organization, which inspires loyalty and commitment to the company. A good organizational culture not only improves the performance and reduces the turnover rate of the organization, it also facilitates the solution of internal issues in the organization. When a good organizational culture is established, that does not discriminate based on races, religions etc. It provides a pleasant environment to work in, thereby reducing internal conflict and encouraging discussion and cooperation in order to work through any inter-employee issues that crop up. In addition, good organizational culture encourages a sense of healthy competition, motivating employees in the organization to be more innovative. Therefore, a strong organizational culture can change the overall performance of the organization**.**

c)   Learning

An effective leader can encourage employees in the organization to learn using certain types of motivators, such as rewards or position. Continuous learning is one of the ways to improve the overall performance of the organization. It is not only the employees that need to improve but all segments of the leadership levels of an organization, if only to set a good example to the bottom line to motivate them to learn. Leaders should join leadership training programmes in order to strengthen their skills and knowledge, making them more effective in their strategies and execution. The same goes for employees, as sending employees for further training will improve their ability to do their job as well as help to facilitate the effective implementation of the desired changes. This helps the organization to increase the productivity and performance of the employees. Since learning does not have an end, leaders need continuous improvement of their leadership skills and knowledge to be competitive in the business market nowadays. If an organization or leader stops improving and as a result find that their skills and knowledge are insufficient, their company will surely find itself deteriorating. The organization, Nokia, is a very good example. Nokia was once one of the best cell phone brands in the world, but Nokia did not continuously improve their skills and make changes in order to adapt to the new trends and needs of the market, and Nokia dropped from being one of the best to a brand that not many people pay attention to.

d)   Teamwork

Besides strengthening their leadership skills, leaders also need to encourage the employees of the organization to be innovative and cooperative. Teamwork and

communication are the best ways to create innovative ideas in order to produce the best outcome for the organization. To achieve the kind of teamwork and rapport that is necessary for the birth of innovative ideas, leaders need to cultivate a positive culture where the employees trust each other, are allowed to do their own jobs without too much interference and have the freedom to establish a dialogue with one another. Leaders that wish to facilitate effective change in the organization should encourage employees to collaborate and communicate with each other, for this is how people are able to create and discover new ways to think, which produces a greater outcome for the organization and also encourages them to learn from different people the ways to improve themselves. Even high ranking management can learn from the strong points of their employees, which they might find themselves lacking. Communication helps people to get to know each other, and also could help to create more new ideas by sharing opinions with each other. It is also one of the best ways to gain each other's trust and bond the whole employees in the organization together.

Lastly, leadership not only influences the employees in the organization, but also provides a clear direction to the employees according to the organization's vision and mission. Effective leaders set strategies to help the employees to achieve the company's target and objectives. Leader also plays a role in monitoring the direction of the employees to make sure the employees are on the right path to achieve the goals according to the strategies. This is only possible with effective leadership that inspires employee trust, as employees are unwilling to follow someone who has little to no idea of what they are doing and who waste too much time and resources on the unnecessary. Effective leadership plays an important role in managing a business in the current business environment, for the old ways of business management are not enough to sustain a company in the modern market.

Although leadership and management are two completely different systems, an organization might be surprised to find that there is no one system that completely suits their needs, so it advisable that they focus on the skills that are suitable for their organization. Management is a system that is based more on planning, budgeting and controlling. The organization emphasizes on following the plan that is set by the upper rank executives in the organization, and following their orders to solve problems. Leadership focuses more on guiding the employees, leading them in the desired direction, according to the organization's vision and can facilitate change in organizations through improvement and innovation missions while communicating with and motivating them to complete their tasks. Under leadership, the boss guides and works together with their employees to produce their desired outcomes.

Old style management orders employees to follow directives while the upper management is focused on planning and both are separate and do not work together. Besides that, the current business environment requires organizations to make changes in order to keep up with the rapid changes in the business environment. If the organization fails to make changes in order to adapt to the market they will fail to survive and will face bankruptcy. Leadership is in charge of providing a clear vision and a systematic way to effectively achieve that vision, for if there is no leadership, there is no change in organization's management. Although leadership can bring lots of changes and increase the organization's performance, but in reality, there are more factors to consider that might affect

the possibility of the changes to occur. Every employee's behavior and attitudes are different, some employees might be able to easily adapt to the change but some will resist the change; some might accept the ways of their leaders and learn from the action of their leaders but some will become jealous of their leaders and refuse to cooperate. This would drag the performance of the organization down. Effective leadership is the best way to manage changes though it must be remembered that there are no problem solving solutions that are perfect and that issues will still be faced that cannot be fixed.

Effective leadership is essential in managing change and change is the only method to sustain the organization in the current business environment. As usual, change is hard for people, people will feel uncomfortable because of change and even sometimes deny the change, continue as they are and be eliminated by the society. Therefore, leadership can be a factor to motivate and encourage people to continuously make change and push them to change. Leadership plays a role in an organization to motivate and encourage the employees to change in order for the organization to be able to sustain and adapt to the business environment, to make sure the organization will improve and be innovative.

Effective leadership skills can help leaders to gain the trust of employees, making other tasks easier to operate because the employees trust their leaders. This could make other parts of business management easier too, such as shaping the culture in an organization. A positive organizational culture can bring lots of benefit to the organization, as the positive culture can encourage and motivate the employees in the organization to learn, communicate and work with one another. A good culture in the organization not only provides a good working environment for their employees, but also gives a sense of belongingness to the employees and increases the commitment of employees to continue working in the organization. Innovative ideas will be produced when leadership motivates the employees to communicate with one another and share their thoughts. Leadership skills also enable the leaders to lead their employees in the right direction, in accordance to the organization vision and mission. When an organization's leader leads the employees in the correct direction and motivates them to continuously improve and innovate, the organization's performance will surely increase and be able to sustain the organization in the current complex business environment. Hence, effective leadership is the main factor that brings change to the organization, if there is no leadership in the organization there will be no change at all.

1.2.3 Leadership Roles and Responsibilities

Managers have people to work for them. Leaders, on the other hand, have people to follow them. So, they need to juggle roles like being a trustworthy captain and acting as an effective communicator.

The actual duties and responsibilities of leaders vary slightly by the company for which they work and might seem endless like:

- Training new workers
- Providing clear, constructive communication
- Encouraging the team to work together to benefit the company
- Listening to feedback and resolving conflict

- Empowering each member to see his own potential and to grow within the company

- Complimenting good behaviour

- Recognizing ineffective methods or practices

- Correcting bad habits

- Monitoring team members without micro-managing them

- Developing timeliness to reach goals

- Setting examples

- Being an inspiration

- Making work interesting and even enjoyable

- Rewarding jobs well done

- Taking responsibility for ineffective outcomes

- Adapting to company changes and policies

Essentially the job description of a leader consists of several vital roles and responsibilities as well as skills. Therefore, a leader who can pull the team together to complete goals while encouraging an open-communication culture is a valuable asset to any company.

Activity 1

Talk to four people working in the corporate sector and ask them what they think are the most important characteristics/traits in a leader. Write down their responses.

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1.2.4 CSR Leadership

Leadership is a very complex concept. Keith Grint considers that "Leadership, or the lack of it, seems to be responsible for just about everything these days". Over time, many definitions have been developed and there is no consensus on a universally agreed definition. There are "almost as many definitions of leadership as there are persons who attempted to define the concept". In order to build a sustainable world, intersection of leadership and ethics is a must. Leadership has a vital role in promoting ethical and moral behaviour. Moreover, leaders should be models for followers and should aim to shape organizations by their own values and characteristics. Employees rely on their leaders for guidance when faced with ethical dilemmas. Leaders' behaviour should be "Visible and consistently ethical, both internally and externally to the organization". Moreover, "excellent companies do more than talk ethics, they take positive steps to address ethical issues and apply the practical tools of ethics in their management practice".

Ethics has "A central role in the practice of leadership". Nowadays, there is a higher need for ethical leaders and transparency in business processes. The role of Corporate Social Responsibility (CSR) is "To restore one of the most critical resources for businesses' sustainability: trust." Companies choose to incorporate CSR into their businesses for different reasons. It is important to "distinguish between activities for gaining popularity and those which gain trust". Trust, ethics, CSR and leadership are interlinked. Nowadays, "Too often, executives have viewed corporate social responsibility (CSR) as just another source of pressure or passing fad". Corporate Social Responsibility is an ethical framework. Leaders and organizations engaged in CSR act for the benefit of their stakeholders – employees, customers, suppliers, community and society at large. CSR requires the use of non-coercive influence and "soft power" which again are specific to leadership. Leaders have a crucially significant role in adopting and practicing CSR in their organizations.

A CSR leader is someone who inspires and supports action towards a better world. CSR leadership is not a separate school of leadership, but rather a particular blend of individual leadership characteristics applied within a definitive context.

Key characteristics of CSR leadership are:

* Systematic understanding
* Emotional intelligence
* Values orientation
* Compelling vision
* Inclusive style
* Innovative approach
* Long term perspective

1.2.5 Case Studies on How Effective Leadership has Led to Effective CSR

1) Using IBM integrated solutions, Cosco, a global shipping firm in China, reduced its distribution centers from 100 to 40, lowering its logistics costs by 23% and its CO_2 emissions by 15%. Samuel J. Palmisano, the then CEO, emphasized that the most important factor in achieving this kind of progress is not technology, it's leadership.

2) CEO Johan Karistrom of Skanska believes, "What is green today will be vanilla tomorrow. To be a leader you have to aim for deep green." For Skanska, this meant taking bold action. The company uses carbon foot printing tools to benchmark the carbon emissions of building projects and to help identify low carbon project options.

3) NESTLE's leadership tends to work for creating shared value in respect of water, nutrition and rural development, environmental sustainability, compliance of laws, business principles and codes of conduct.

4) TATA's leadership provides ground breaking solutions to large- scale societal problems. It aims at community improvement programmes, provides disaster assistance, etc.

5) ITC's leadership endorses education, delivers precautionary healthcare, supports countryside progress, aims at delivering hygiene and drinking water, making livelihoods for people, etc.

Check Your Progress - 1

Note: a) Write your answer in about 50 words.

b) Check your answer with possible answers given at the end of the unit

1) What do you understand by leadership?

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2) What are the key characteristics of CSR leadership?

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1.3   HR MAPPING IN CSR

Human resource management is a set of policies, practices and programmes designed to maximize both personal and organizational goals. It is the process of binding people and organizations together so that the objectives of each are achieved.

Human resource professionals have a key role to play to help a company achieve its CSR objectives. Employee involvement is a critical success factor for CSR performance. Human resource managers have the tools and the opportunity to leverage employee commitment and engagement in the firm's CSR strategy.

Employees prefer to work with organizations aligned with their values. Human resource management ensures that what the organization is saying publicly aligns with how people are treated within the organization. HR provides the tools and framework for the executive team and CEO to embed CSR ethics and culture in the strategic framework of the organization.

It is the only function that influences across the entire enterprise for the entire lifecycle of the employees who work there- thus, it has considerable influence if handled correctly. HR is poised for this lead role as it is adept at working horizontally and vertically across and within the organization and so it is important for successful CSR delivery.

HR mapping that helps to assess and manage the performance of individual employees, teams departments and other organizational units within their organizational influence is also called competence mapping.

Competence indicates the required abilities, knowledge and skills that enable an employee to perform his work in any organization. It is the combination of both observable as well as measurable attributes of an employee or an organization. HR mapping captures the different worth of individual contributors, facilitates multiple career paths and allows flexibility in reward related decisions which are important.

Human resource departments play a critical role in ensuring that the company adopts CSR responsibility programmes. Furthermore, HR can manage the CSR plan implementation and monitor its adoption proactively, while documenting (and celebrating) its success throughout the company.

HR technology can help with a CSR programme, including reducing the company's carbon footprint to benefit the planet. The HR department can start with these areas:

i)   Implement and encourage green practices.

ii)   Foster a culture of social responsibility.

iii)   Celebrate successes.

iv)   Share and communicate the value of corporate social responsibility to employees and the community.

i)   Implement and Encourage Green Practices

Implement green practices to assist in environmental waste reduction, while promoting and encouraging stewardship growth, better corporate ethics and long-lasting practices that promote both personal and corporate accountability.

The value inherent in embracing green aspects of corporate responsibility is clearly understood, given the direct impact that rising energy and utility costs have on employees' pocketbooks. Conservation has become an accepted means of making our planet healthier.

Reducing each employee's carbon footprint is a great way of getting energy conservation and recycling waste initiatives off the ground. Here are suggestions to start:

*   Recycle paper, cans, and bottles in the office; recognize departmental efforts.

*   Collect food, and especially donations, for victims of floods, hurricanes and other natural disasters around the globe.

*   Encourage reduced energy consumption; subsidize transit passes, make it easy for employees to carpool, encourage staggered staffing to allow after rush hour transit.

*   Permit telecommuting and allow employees working remotely to the degree possible.

*   Encourage shutting off lights, computers, and printers after work hours and on weekends for further energy reductions.

- Work with IT to switch to laptops over desktop computers (Laptops consume up to 90% less power).

- Increase the use of teleconferencing, rather than on-site meetings and trips.

- Promote brown-bagging in the office to help employees reduce fat and calories to live healthier lives and reduce packaging waste too.

ii) Foster a Culture of Corporate Social Responsibility

Creating a culture of change and responsibility starts with HR**.** Getting the younger employees, who are already environmentally conscious and excited about fresh Corporate Social Responsibility initiatives is a great way to begin. A committed set of employees who infuse enthusiasm for such programmes would enable friendly competition and recognition of programmes.

Over the past few years, major news organizations have reported on large, trusted companies that have failed employees, shareholders and the public. These failures created a culture of mistrust in the corporate world.

All too often, employees and employers at all levels, who competed for advancement and recognition in harsh workplaces, were forced to accept corporate misconduct and waste as "business as usual".

Employer brands are being eroded and the once sacred trust that employees had with stable pensions, defined benefits, and lifelong jobs, are being replaced with pay for performance and adjustment to new learning goals. In this environment, Corporate Social Responsibility can go a long way in rehabilitating the employer brand with potential new hires and society at large. It can help defeat the image that corporate objectives are rooted in single minded profit at the expense of society and the environment.

Social and community connections that are encouraged by employers give employees permission to involve their companies in meaningful ways with the community. Employers can connect with their employees and the community through:

- Company matches for employee charitable contributions;

- Community programmes and volunteer days;

- Corporate sponsorship of community events; and

- Encouraging employees to participate in walkathons, food banks, and so forth.

iii) Celebrating Success

Celebrating success is important to sustain the momentum of any CSR programme. Involving company leaders, and praising the success of these initiatives, gives the programme real meaning.

In the rapidly expanding global workplace, the celebration of these successes not only drives the implementation of Corporate Social Responsibility initiatives but also allows sound corporate HR practices to enable them.

Additionally, the publicity about these successes creates a mutual understanding of the cultures within each region that the company serves. The local population

knows that, in addition to providing jobs, the company takes an active interest in, and participates in local issues.

iv) Community Relations

Encouraging community relations through the HR team includes implementing reward programmes, charitable contributions and encouraging community involvement and practices.

Examples of these programmes include sending emails and company newsletters to staff members that highlight employees and managers involved in community relations or creating monthly reward programmes to recognize efforts by individuals within the company.

1.4 TRAINING AND DEVELOPMENT OF EMPLOYEES

Training is a programme that helps employees learn specific knowledge or skills to improve performance in their current roles. Development is more expansive and focuses on employee growth and future performance, rather than an immediate job role. Employees are a company's biggest asset and investing in talent is vital to sustainable business growth and success. Training and development can be converted into CSR strategy so that corporates are responsible for social development without hampering their business processes or functions and are able to create value for their shareholders in long run.

Training and development programmes should explain the connection between the company's core products or services and the society at large and their value to the local community. They must also identify ways in which employees can get involved in appropriate CSR projects that would sustain and direct these initiatives.

1.4.1 Creation of High-Impact Training Plan

Companies that immediately engage in employee growth and potential learning opportunities from the moment an individual is hired will greatly impact future employee performance and dedication. The following points cover a few effective strategies for developing workplace talent.

1) Target soft skills

Training for soft skills is the number one priority for talent development. Driving this is a surge of industry change, automation, and technological advancements. The modern workplace requires adaptable, critical thinkers who can communicate effectively.

2) Personalize employee development

Previously, training programmes approached workplace development with a 'one size fits all' mentality. This technique, however, is counteractive to a growing, diversified workplace. Employees need to be analyzed and acknowledged in terms of their specific skills, technological fluency, and approach to learning. When developing a programme, businesses should think of employees as consumers.

3)   Digital learning

Ensuring employees make time for learning is the number one challenge for talent development. Employers need to reduce any resistance to learning by engaging talent through the existing platforms they chose to spend their time on. Training should be delivered through multiple platforms, dynamic in its accessibility (mobile and on-demand), personalized, and offer ongoing support.

4)   Create a strategic development plan

As the skills gap continues to widen, employers need to take the initiative in teaching and up skilling employees. The steps involved in creating a development plan begin with establishing business goals. Employers and development professionals should ask themselves what business factors and objectives do we hope to impact through training? Leaders also need to decide what skills are needed within the business, again aligning it to the overall objectives. The development plan itself needs to incorporate various stages for effective tracking, that analyses the before, during, and after.

The Human Resources (HR) function is the key partner in embedding Corporate Social Responsibility (CSR) and sustainability initiatives in any organisation, as this can be achieved only when a company educates, engages and empowers its entire workforce. The HR function has a responsibility to be proactive in leading the way in establishing a company-wide CSR-enabled culture.

Activity 2

Visit the CSR department of a corporate in your vicinity. Ask the employees about the various trainings that they have undergone in the past one year. Write down their responses.

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1.5   PERFORMANCE APPRAISAL BY EMPLOYER

A performance appraisal is a regular review of an employee's job performance and overall contribution to a company. It evaluates an employee's skills so as to place the right people in the right job.

The management evaluates and provides feedback on employee job performance which provides a basis for improving performance, recognition, pay increases and promotions, assigning responsibilities. It becomes the basis for promotion, compensation, employee development, selection validation, communication and motivation.

Employees performance appraisal aims that instead of CSR initiatives being driven from the top, there can be a combination of top down and bottom up approaches wherein all employees are encouraged to take the CSR commitments

as part of their individual responsibilities, and at the same time, the entire organization works as a unit to achieving CSR goals.

In this context, it is important for corporates to incentivize the employees to take CSR seriously. This can take the form of mandating employees to spend time with the wider society as part of their KRAs or Key Result Areas in the Performance Appraisals wherein they are awarded and rewarded through the regular appraisal process for meeting CSR commitments.

By making CSR outcomes a part of performance appraisals, these organizations believe that the sum and substance of the total effort from the entire organization is greater than the contributions of each employee thereby creating synergies for the entire organization in the process.

Further, by incentivizing the employees by rewarding them for their CSR deliverables during performance appraisals, the combination or the melding together of ideology with practical steps ensures that an employee goes beyond the mandate and is encouraged and motivated to do more, which again creates value in the ultimate meaning of the word.

It is also not the case that making CSR commitments as part of performance appraisals would be an end in itself. Instead, it is a means to an end and hence, must be viewed in that perspective. In other words, if employees feel that spending time in the CSR outreach programmes is something that they do reluctantly, then the whole purpose of the process is lost. Further, if employees do this only for meeting their performance appraisal parameters, then again, the purpose is defeated.

There are logistical difficulties in measuring the success or otherwise of the CSR deliverables means that such methods might sound good on paper but lack the needed effectiveness to succeed in practice. Thus, what is needed is a mindset change that can only happen over time. At the same time, it is our view that making CSR commitments part of the performance appraisals is a good first step that can lead to better outcomes.

In other words, we have to start somewhere and hence, in this respect, ensuring that CSR and incentives for the same can go together is a sure way to making the entire CSR outreach much more effective.

Lastly, by making the entire organization geared towards actualizing CSR commitments, corporates can engage with the wider communities in a systemic manner.

Check Your Progress 2

Note: a) Write your answer in about 50 words.

     b) Check your answer with possible answers given at the end of the unit

1)   What is the meaning of training and development of employees?

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2) What is performance appraisal by employer?

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1.6   LET US SUM UP

In the age of globalization, corporations and business enterprises have crossed national boundaries to become international. Business enterprises have been using natural resources in a big way for the creation of wealth through profits and other rewards. Business enterprises are a part and parcel of the society and as such inevitably enter in many areas of social life. Their responsibility towards society and environment has emerged. In the CSR context, it is well-recognized that several projects are headed by corporate leaders, therefore, leadership structures clearly matter for CSR – and neglecting these runs the risk of CSR failing. HR provides the tools and framework for the executive team and CEO to embed CSR ethics and culture in the strategic framework of the organization. Training and development can be converted into CSR Strategy so that corporates are responsible for social development without hampering their business processes or functions and are able to create value for their shareholders in long run. Employees performance appraisal aims that instead of CSR initiatives being driven from the top, there can be a combination of top-down and bottom up approaches wherein all employees are encouraged to take the CSR commitments as part of their individual responsibilities, and at the same time, the entire organization works as a unit to achieving CSR goals.

1.7   KEYWORDS

HR Mapping	:	HR mapping also known as competency mapping identifies an individual's strengths and weaknesses. The aim is to enable the person to better understand himself or herself and to point out where career development efforts need to be directed.
Corporate Social Responsibility	:	This is a management concept where companies integrate social and environmental concerns in their business operations and interactions with their stakeholders.
Leadership	:	Leadership is the art of motivating a group of people to act towards achieving a common goal.
Employee Training and Development	:	Training and development describes the formal, ongoing efforts that are made within organisations to improve the performance and self-fulfillment of their employees through a variety of educational methods and programmes.

Employee Performance Appraisal	:	This is a process often combining both written and oral elements in which management evaluates and provides feedback on employee job performance, including steps to improve or redirect activities as needed.

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1.9 CHECK YOUR PROGRESS - POSSIBLE ANSWERS

Check Your Progress - 1

1) Leadership is defined as the ability to influence a group of employees' values, beliefs, attitudes and behaviour. A leader with strong leadership skills can easily motivate and influence the employees of the organization and apply effective changes to the organization.

2) Key characteristics of CSR leadership are:
   - Systematic Understanding
   - Emotional Intelligence
   - Values Orientation
   - Compelling Vision
   - Inclusive Style
   - Innovative Approach
   - Long Term Perspective

Check Your Progress - 2

1) Training is a program that helps employees to learn specific knowledge or skills to improve performance in their current roles. Development is more expansive and focuses on employee growth and future performance, rather than an immediate job role.

2) A performance appraisal is a regular review of an employee's job performance and overall contribution to a company. It evaluates an employee's skills so as to place the right people on the right job, achievements and growth, or lack thereof.

UNIT 2   EMPLOYEE ENGAGEMENT

Structure

2.1   INTRODUCTION

One way to foster engagement in a company is through sustainability, also called Corporate Social Responsibility (CSR). It means integrating the company's mission and purpose with sustainable values, and supporting environmental and social goals in ways that connect to the company's business. It is reinforced at multiple levels within an organization. Employees generally perceive that an organization which is socially engaged is one that is concerned about all people including employees. They think that if the organisation is generally concerned about fairness then it is more concerned about fair conditions for the employee. So, they like to work for that particular organization.

In this unit we will discuss about the concepts of employee engagement and corporate branding and also about the relationship between the two. After reading this unit you will be able to:

- Discuss the meaning and importance of employee engagement

- Describe the strategies of corporate branding

- Explain the relationship between employee engagement and employer branding

2.2   EMPLOYEE ENGAGEMENT

In this section we will discuss about the meaning of employee engagement and various strategies of employee engagement.

2.2.1   Meaning

Employee engagement is the extent to which employees feel passionate about their jobs, are committed to the organization, and put discretionary effort into their work. It is a workplace approach resulting in the right conditions for all members of an organization to give of their best each day, committed to their organization's goals and values, motivated to contribute to organizational success, with an enhanced sense of their own well-being.

According to David MacLeod: *"This is about how we create the conditions in which employees offer more of their capability and potential"*.

Employee engagement is based on trust, integrity, two-way commitment and communication between an organization and its members. It is an approach that increases the chances of business success, contributing to organizational and individual performance, productivity and well-being.

It is about being included fully as a member of the team, focused on clear goals, trusted and empowered, receiving regular and constructive feedback, supported in developing new skills, thanked and recognized for achievement. It is about positive attitudes and behaviours leading to improved business outcomes, in a way that they trigger and reinforce one another.

Engaged organizations have strong and authentic values, with clear evidence of trust and fairness based on mutual respect, where two-way promises and commitments – between employers and employees – are understood and fulfilled.

It is about drawing on your employees' knowledge and ideas to improve your products and services, and be innovative about how you work. It is about drawing out a deeper commitment from your employees so that sick absence reduces, accident rates decline, conflicts and grievances go down, productivity increases. It is about organization actions that are consistent with the organization's values.

Employee engagement cannot be achieved by a mechanistic approach which tries to extract discretionary effort by manipulating employees' commitment and emotions. Employees see through such attempts very quickly and can become cynical and disillusioned.

Employee engagement is in a sense internal CSR. It is the art of having employees, appreciating their work, and they becoming more productive and active. Vital elements of CSR for an organization are to engage its employees and provide them with rewarding meaningful work. Organizations with a sound track record in social responsibility tend to produce greater pride and performance among their employees.

Organizations need to look carefully at their own situations when deciding how best to engage employees. Organizational context will differ as will employee wants and needs. In the current economic climate there is a need for both organizational engagement as well as job engagement.

We know that people are not all alike, so employee engagement requires that the employer identifies the strengths of its employees and get the best from them. But employee engagement is not just about the company – each person is responsible for his/her own level of engagement.

Most companies that do it well have something in common – they understand that it's a driver of success and that it therefore needs to be a key business strategy, which is everyone's responsibility (not just HR's or the leaders' responsibility). This strategy works best when it translates into behaviours and culture.

They also know that they have to look after their employees so they can look after the customers, or as Wal-Mart's founder Sam Walton said: "the way

management treats associates is exactly how the associates will treat the customers".

2.2.2 Employee Engagement Strategies

There are many good examples of companies that have achieved great results when it comes to an engaged culture and it's worth reflecting on what they do and why it works. Some examples of particular interest follow.

1) Google - Transparency

Google has been very intentional about creating the culture they want. One aspect of that culture is their focus on transparency. The idea is to break down barriers, encourage creativity and collaboration. Employees, as a result, are feeling empowered by that transparency. Culture comes down to behavioural habits and Google, by creating a culture of transparency and freedom, creates habits of creativity. Formalizing that people spend 20% of their time doing something outside their normal work function facilitates a creative culture. Ultimately culture is about "how things get done" and should not be left to chance. It is too powerful a force not to take control over, and Google has done this well.

The organizations that focus on transparency engage more employees than those who don't. Employees want to be a part of something where there are no hidden agendas and they are experiencing an honest perspective whether that is good news or not. Informed employees feel valued and engagement typically follows.

2) American Express – Focus On Behaviours

In a world where results are everything and goals are often largely about what results people achieve, regardless of how they achieved them, American Express was different even 25 years ago. The company has for a long time had equal weighting between the fact that people achieve their goals and how they do it. It simply should not be possible to achieve top results, ratings, pay and potential bonus without considering the impact of employee behaviour.

'Behaviour' is how we conduct ourselves, act and react, towards others. Successful companies understand how behaviour impacts employees at an emotional level, where much of engagement with an employer happens. They therefore value how people do their job. The high performers in companies where engagement is high, understand their impact and behave in a collaborative and respectful way.

3) John Lewis - Empowering

John Lewis expresses a strong focus on people. One way of doing this is to call their employees 'partners'. It is not just a word, it is also the connection people make with that word, the emotions that it awakens. By calling them partners, the company is clearly expressing that there is a shared responsibility for the customers and the outcomes of the company. So they focus on involving their partners in decisions and solutions, empowering them to create the best customer experience.

4) Hyatt – Employee Development

The hotel group's high employee retention and long tenure speaks volumes in an industry known for its high employee turnover. The focus on employee

development and promoting from within plays a large part in this. Another interesting practice, connected to development, is how they empower their employees (whom they call associates), to listen carefully to each other and their guests, to be able to solve problems and create new solutions, rather than following scripts of what to do, making the guest feel special and heard.

Many organizations share this commitment to employee development and are therefore able to trigger that inner motivation that comes from knowing that you're growing and developing. Besides, continuous development is crucial in order to successfully deal with the constant change all organizations face.

5) Southwest Airlines - Purpose

This airline sees their purpose as connecting people with what's important to them. They don't just see themselves as transporters of people, but as enablers who help people get to people or places they care about. This may be seen as a small differentiation, but it can make a big difference in how important an employee perceives his/her job. A strong, clear purpose connects emotionally with employees, it engages.

This purpose becomes more and more important to employees. To see that you are doing something more profound than just selling a product or service, makes you feel important. It's no longer enough to "just do a job", we're seeing that people want to make a difference, to contribute to something bigger than themselves.

6) Virgin - Listening

This multi-industry organization has a habit of listening to its employees, to show that they are valued; to listen to their opinions and take care of their ideas; to have healthy debates; and to continuously innovate. It's a win-win; the organization keeps learning and employees feel important and engage with the organization.

Listening is at the heart of engagement. Everyone wants to be seen and heard – it's a minimum requirement of leadership, yet often overlooked for the immense value it can bring. We see that employees who feel listened to want to reciprocate and do their best because they feel valued and important.

Activity 1

Read more about steps taken by different companies towards enhancing employee engagement. Write about any one of the strategies that you found interesting and which is not mentioned in this unit.

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Employee engagement is the fuel of an organization. And even if an organization is good at it, we can all get better at it – and maximize that fuel.

Check Your Progress - 1

Note: a) Write your answer in about 50 words.

     b) Check your answer with possible answers given at the end of the unit

1)   What is employee engagement?

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2)   How does transparency impact employee engagement?

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2.3   EMPLOYER/CORPORATE BRANDING

2.3.1 Meaning

Employer /Corporate brand is a term that describes the company's reputation and popularity from a potential employer's perspective and describes the value the company gives to its employees.

It is the process of creating and maintaining a company's employer brand. It is how a company sells itself to potential candidates, the way the same company might sell its products and how the organization attracts the best candidates.

In a modern business world of talent acquisition, employer branding is used to introduce the company as a great place to work. It is used for communicating with current employees as well as attracting new, generally passive, workforce.

The employer brand has a direct impact on talent acquisition. Companies with better reputations have higher quality and more satisfied employees. Also, a candidate's experience is significantly improved and they tend to retain employees longer.

2.3.2 Employer Branding Strategies

An employer branding strategy allows one to control and positively change the dialogue surrounding one's company, to ensure higher talent acquisition and

retention. At its most basic, employer branding is how one market's its company to job seekers, and what employees say about the company as a workplace. A good employer branding strategy can help one attract better talent, cut down on hiring costs, and reduce employee turnover.

Some Important Steps for Creating Employer Branding Strategies:

1)   Know one's company's unique value proposition

To create a powerful employer brand, a company should start by focusing on its mission statement, values, vision, and culture. It could be helpful to identify what the business needs are, and then work backwards to understand what type of talent it needs to acquire to fulfill those objectives.

2)   Conduct an employer brand audit

The Company might not be fully aware of the reputation it has among job seekers or even its own employees. It can send out internal surveys, conduct social media searches, etc.

3)   Write an employer value proposition

Once the company has done its research and cultivated a list of values and benefits it offers, it should create an employer value proposition. An employer value proposition is a marketing message and a promise – so the company should not say anything that is not true, or that its employees would not agree with. The company might use its employer value proposition on its website,

For instance, Accenture, a global management consulting and professional services firm, created this employer value proposition, which they've displayed prominently on their careers page – "Help build the future. Be yourself, make a difference. Work where you're inspired to explore your passions, where your talents are nurtured and cultivated. Innovate with leading-edge technologies on some of the coolest projects you can imagine. And get the tools you need to keep learning and growing so you stay continually ahead of the game while making a difference in the world."

4)   Leverage current employees

When job seekers want to learn more about an employer's brand, they're going to want to hear from and see real employees at the company. The company can leverage one's employees by conducting employee interviews or testimonials to share on the website.

The company might also leverage employees by asking them to post on their social media accounts when the company does a fun giveaway or company outing. For instance, perhaps the company creates a 'Women in Tech' event and holds a panel discussion. Afterwards, the company might simply ask its employees to post a picture on Instagram or Facebook with a hashtag that the company has created. This is a fun, yet powerful way for the company's own employees to share its culture with their own networks.

5)   Cultivate a strong onboarding process

Instilling a positive company brand image starts with a good onboarding process. It's critical that a company gets employees engaged and excited about their roles, and their teams, from the start. By arming its new employees with the instructions

and tools necessary to excel in their roles, it is ensuring a smooth transition, lower turnover rates, and more productive teams.

6) Offer learning and development opportunities

If a company allows employees to pursue learning opportunities and become proficient in new skills, it is laying emphasis on continuous learning and improvement. By challenging its employees, it is ensuring that they won't get bored in their roles – which could lead to higher retention rates and as they develop new skills, they become more valuable employees for your company.

7) Use video, blog posts, photos, and slideshows to tell your company story

When the company is implementing a strategy to improve the market's perception of its product or service, it doesn't just communicate its message through one channel. Instead, it provides videos, photos, slideshows, blogs, and other forms of messaging to ensure that it is reaching the largest audience on whichever platform they wanted its stories to be found.

8) Create a strong diversity and inclusion initiative

If the company wants to create a strong employer brand, it has to show its commitment to building diverse teams. There are plenty of company benefits for investing in diversity and inclusion initiatives, including more innovative ideas, a stronger workplace culture, and better customer service attitude. However, it is also necessary for cultivating a positive employer brand, by ensuring that the Company's brands reach new groups of people.

Some employer branding examples follow.

- Starbucks
- HubSpot
- SoulCycle
- Eventbrite
- Jet

1) Starbucks

Starbucks does a good job of cultivating a strong community among their employees. For instance, they refer to current employees as partners, instilling a sense of pride in each employee. Additionally, Starbucks created Instagram and Twitter accounts specifically for @StarbucksJobs, which they use to promote their employer brand and interact with job seekers.

By creating social media accounts with the sole purpose of demonstrating appreciation for current employees and evoking passion in potential candidates, Starbucks shows its commitment to being more than just a product.

Rather than posting about their drinks, Starbucks uses its social media accounts to share their company mission, congratulate employees on college graduation, and share personal employee stories. The company also uses the platforms to demonstrate its commitment to diversity and inclusion.

2) HubSpot

HubSpot's culture page begins with a document called the Culture Code, which publicly pronounces every vision and value HubSpot hopes to promote and instill in its employees, candidates, and customers.

Moving further down the page, one will find sections discussing opportunities for learning and development, HubSpot's commitment to diversity and inclusion, and interviews with real HubSpot employees. The language also consistently focuses on the job seeker – "Here's how we can help you grow"

The page ends with a "Day in the Life" video made by a HubSpot employee, demonstrating HubSpot's relentless commitment to communicating its culture via its employees. Ultimately, the page is a powerful example for how you might use interactive media to promote your employer brand.

3) SoulCycle

SoulCycle isn't just transforming the boutique fitness space – it's also aiming to transform the traditional corporate culture, by offering benefits it feels will evoke a sense of purpose and belongingness in each of its employees.

For instance, SoulCycle gives its employees two paid business days off per year to volunteer at a charity of their choice, with the hope that the charity days will help employees feel happy and more fulfilled.

Additionally, SoulCycle offers free classes (about a $ 30 per-class value) to employees whenever it suits their schedule. This displays SoulCycle's deeper commitment to making fitness fun, and using exercise as an outlet to de-stress and connect with the community.

With high ratings in each category, including four stars on work-life balance and four stars on management, SoulCycle has undoubtedly cultivated a strong employer brand.

4) Eventbrite

To demonstrate its commitment to recruiting high quality talent, Eventbrite created a web page to introduce job seekers to its recruitment team. The bios are funny and relatable, with fun facts about each recruiter.

Additionally, the Eventbrite recruitment team page states, "Interviewing shouldn't be nerve-wracking – it should be exciting. It should spark great conversation. We believe in respect, transparency, and timely responses (we don't leave anyone in the dreaded recruiting black hole)." Their language reflects their values, likely inspiring job seekers to apply.

5) Jet

The ecommerce site Jet created an inspirational, employee-focused video to spread awareness for its fun, engaging, motivational workplace. The video is especially powerful because it uses real employee interviews, giving the job seeker a sense for Jet's work culture and values.

Additionally, the video is empowering and pride-evoking for current employees, who can see their company's clear commitment to carrying out its mission statement through videos of its workers.

Activity 2

Read more about the steps taken by different companies towards employer branding. Write about any one of the strategies that you found interesting and which is not mentioned in this unit.

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2.4 RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND EMPLOYER/ CORPORATE BRANDING

Employee engagement is the act of having employees appreciating their work, becoming more productive and active employees. Employer branding is how a company sells itself to potential candidates, the way that same company might sell its products. This then leads to better employee engagement. Therefore, employee engagement and employer branding, are not mutually exclusive ideas. Two are closely tied to each other – one attracts people to the organization while the other has more to do with people whom the organization has already hired. Good employer branding attracts better candidates which in turn leads to employees that are more apt for the company. This leads to better employee engagement. Therefore, investment in one is a partial investment in the other.

2.5 EMPLOYEE ENGAGEMENT, EMPLOYER BRANDING AND CSR

In the present business world of talent wars, companies are constantly trying to attract the most talented pool of human capital and retain them. And to survive in such competition, building one's employer brand becomes crucial for the business. With the rise of social media, most candidates do a lot of research on the company's employer brand value before joining it.

CSR helps in reinforcing the positive image of an organization. There exists a strong connection between these two concepts of CSR and employer branding. CSR sends out a positive message about the company and thereby increases the employer brand value.

A comprehensive CSR policy needs engagement from employees and internal stakeholders, rather than only the top management in order to be sustainable. Integration of CSR into a company's employer branding strategy is necessary to attract talent required for the business. While developing employer branding strategy, principles of marketing are applied to human resource activities with regard to current and potential employees. CSR being included in the list of employee engagement activities of various organizations is now being used as a tool to increase the employer brand value of organizations.

Several companies have adopted CSR activities which are helping them to strengthen their employer brand as well. Some examples are mentioned below.

TCS

Their CSR activities include water and electricity conservation; green area preservation and enhancement; bio-digesters of canteen waste, etc. across locations. Apart from these initiatives, TCS also has several volunteering and fund raising initiatives which enable their employees to reach out to society.

WIPRO

Wipro Cares is Wipro's community initiative focused on certain key developmental issues faced by underserved and underprivileged communities. It was formed in the year 2003 and is committed to work with communities proximate to Wipro's center of operations.

Thus, in today's competitive business world, employer branding and CSR go hand-in-hand, and since HR has to strengthen the employer brand of a firm, the function must be able to apply marketing principles and incorporate CSR initiatives in the company's strategies in such a way so as to boost the Employer Brand.

Check Your Progress - 2

Note: a) Write your answer in about 50 words.

b) Check your answer with possible answers given at the end of the unit.

1)   What is employer or corporate branding?

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2)   What is the relationship between employee engagement and employer branding?

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2.6   LET US SUM UP

Employer branding and employee engagement go hand-in-hand. One attracts people to the organization while the other has more to do with people whom the organization has already hired. Good employer branding attracts better candidates

which in turn leads to employees that are more apt for the company. This then leads to better employee engagement. CSR helps in reinforcing the positive image of an organisation. There exists a strong connection between these two concepts of CSR and employer branding. CSR sends out a positive message about the company and thereby increases the employer brand value.

2.7   KEYWORDS

Employee Engagement	:	Employee engagement is the extent to which employees feel passionate about their jobs, are committed to the organization, and put discretionary effort into their work.
Employee Performance Appraisal	:	A performance appraisal or employee appraisal is a method by which an employee's job performance is evaluated.
Employer Branding	:	*Employer branding* is the process of managing and influencing the Company's reputation as an employer among job seekers, employees and key stakeholders.

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2.9 CHECK YOUR PROGRESS-POSSIBLE ANSWERS

Check Your Progress - 1

1) Employee engagement is the art of having employees, appreciating their work, and they becoming more productive and active. It requires the employer see his/her employees on what part they are good and get the best from them.

2) The organisations that focus on transparency engage more employees than those who don't. Employees want to be a part of something where there are no hidden agendas and they are experiencing an honest perspective whether that is good news or not. Informed employees feel valued and engagement typically follows.

Check Your Progress - 2

1) Employer /*corporate* branding is a term referred to describe the company's reputation and popularity from a potential employer's perspective and describes the values the company gives to its employees.

2) Employee engagement and employer branding, are not mutually exclusive ideas. Two are closely tied to each other – one attracts people to the organization while the other has more to do with people whom the *organization* has already hired. Good employer branding attracts better candidates which in turn leads to employees that are more apt for the company. This then leads to better employee engagement.

UNIT 3   ENTREPRENEURSHIP AND WELFARE

Structure

3.1   INTRODUCTION

Entrepreneurship means the ability to create new opportunities for income, products, markets and other economic activities. It is in the course of a successful entrepreneurial venture that one can provide and do a lot of welfare activities. Entrepreneurial success leads to economic growth which in turns leads to creating opportunities for jobs and so on. Successful entrepreneurial ventures can do a lot towards welfare measures. The ideal situation is for entrepreneurial success and welfare measures to go hand in hand to achieve a just society.

After studying this unit, you will be able to:

*   Explain entrepreneurship

*   Discuss human rights and social inclusion

*   Describe welfare and economic growth

3.2   ENTREPRENEURSHIP

The entrepreneurial function implies the discovery, assessment and exploitation of opportunities, in other words, new products, services or production processes; new strategies and organizational forms and new markets for products and inputs that did not previously exist (Shane and Venkataraman, 2000). Due to the fact that there is no market for "opportunities", the entrepreneur must exploit them, meaning that he or she must develop his or her capabilities to obtain resources, as well as organize and exploit opportunities. Entrepreneurship is often discussed under the title of the entrepreneurial factor, the entrepreneurial function, entrepreneurial initiative, and entrepreneurial behaviour and is even referred to as the entrepreneurial 'spirit'. The entrepreneurial factor is understood to be a new factor in production that is different from the classic ideas of land, labour and capital, which must be explained via remuneration through income for the entrepreneur along with the shortage of people with entrepreneurial capabilities.

Its consideration as an entrepreneurial function refers to the discovery and exploitation of opportunities or to the creation of enterprise. Entrepreneurial behaviour is seen as behaviour that manages to combine innovation, risk-taking and proactiveness (Miller, 1983).

3.3 HUMAN RIGHTS AND SOCIAL EXCLUSION

The classic definition of a human right is a right which is universal and held by all persons. The concept of human rights manifests itself in the literary, artistic, religious, legal, and political structures of all societies. Philosophers have traditionally divided rights into two categories: positive and negative. If a citizen has a right to freedom of speech, for example, then the state has a duty of non-interference. This so called negative right allegedly imposes no burdensome or costly duty upon the state. The standard view of the positive right holds that welfare rights require extensive governmental action. "A human right by definition is a universal moral right, something which all men, everywhere, at all times ought to have, something of which no one may be deprived of without a grave affront to justice, something which is owing to every human being simply because he is human" (Cranton, 1973:36). One of the definitions cited most often is that of Wasserstorm (1979). Any true human right, it is said, must satisfy at least four requirements: First, it must be possessed by all human beings. Second, because it is the same right that all human beings possess, it must be possessed equally by all human beings. Third, because human rights are possessed by all human beings, we can rule out as possible candidates, any of those rights which one might have in virtue of occupying any particular status or relationship, such as that of parent, president, or promise. Fourth, if there are any human rights, they have the additional characteristic of being assertable, in a manner of speaking, 'against the whole world' (1979:50).

As one can see from the definitions, human rights are presumed to be universal in character.

3.3.1 Genesis of Human Rights Movement in India

The rude shock received by the imposition of the national emergency in India in 1975 made the articulate and vocal sections of society sensitized to human rights. The absence of democratic rights during those eighteen months galvanized students, intellectuals, political activists, trade unionists, artists into action. The educated middle class of India had thrived on an uninterrupted flow of democracy in its national life since it gained independence in 1947. The emergency rule was marked by detention without trial of a large number of people-students, youth, political personalities-news censorship, trespassing without legal sanction of private premises, tapping of telephones, interception of letters and constitutional amendment curtailing basic rights to life and freedom in the name of national security and violation of civil liberties. Television being monopoly of the government was totally controlled by the ruling party. Thousands of people joined massive rallies to protest against the anti-democratic acts of the government and to mobilize public opinion to safeguard Indian democracy. Organizations such as Citizens for Democracy, People's Union for Civil Liberties (PUCL), People's Union for Civil Liberties and Democratic Rights (PUCLDR) and Chhatra Yuva Sangharsh Vahini were at the forefront of human rights struggles at the national level. Dozens of state level and city-based groups were also formed during this

period. For example, Committee for Protection for Democratic Rights (Mumbai), Association for Protection of Democratic Rights (APDR) and Andhra Pradesh Civil Liberties Committee (APCLC) in Hyderabad.

When the national emergency lifted in 1977, horror stories of custodial violence and barbaric acts of torture in the police custody and prisons started pouring into the mainstream newspapers. Bright young men and women opted for investigative journalism as a career. Newly formed civil liberties and democratic rights groups started bringing out their newsletters and journals in English, Hindi and several regional languages. And organizations working against repression of the workers, poor, peasants, dalits, women and tribal people joined 'democratic rights movement'. This set the tone for human rights movements in India during 1990s that established their networks from local and regional to global level.

3.3.2 Social Exclusion: Concept and Meaning

Exclusion as a social phenomenon is expressed in different forms all over the world. Social exclusion and discrimination are practiced on the basis of ethnicity, gender and religion. In Indian society, mainly, the caste and patriarchal systems are the sources of social exclusion. Social hierarchy of traditional social system in India presents inequality between the highest and lowest castes. But in reality, the downtrodden communities are excluded from interaction and denied access to resources through iniquitous social arrangements.

The concept of social exclusion has been defined differently among social scientists, both western and Indian. According to Silver (2004), social exclusion is a multidimensional process of progressive social rupture, detaching groups and individuals from social relations and institutions and preventing them from full participation in the formal, normatively prescribed activities of the society in which they live. Amartya Sen (1997) observes that social exclusion emphasizes the role of relational feature in deprivation.

Bauvinic (2005) summarizes the meaning of social exclusion as the inability of an individual to participate in the basic political, economic and social functioning of society and goes on to add that it involves "the denial of equal access of opportunities imposed by certain groups in society upon others." On the whole, social exclusion may be termed as a process by which, certain groups are wholly or partly denied full participation in development activities-social, economic, cultural and political life of societies. Thus, social exclusion refers to a process in which individuals and entire communities of people are systematically blocked from their rights, opportunities and resources (e.g., housing, employment, healthcare, civic engagement, democratic participation and due process) that are normally available to members of society and which are key to social integration.

Social exclusion is about the inability of our society to keep all groups and individuals within reach of what we expect as a society. It is about the tendency to push vulnerable and difficult individuals into the least popular places, furthest away from our common aspirations.

The term social exclusion is of relatively recent origin; however, it encompasses a wide range of social and economic aspects. Different scholars decipher this notion in various contexts. Broadly, it indicates the relative deprivation of any person or group of persons on various predetermined criterion. Caste based

occupational groups in India, like that of manual scavengers, constitute one such socially, economically, psychologically and politically marginalized sections of the society. In India, social exclusion revolves around some sections of the population, particularly, dalits, *adivasis*, women and minorities. They are the victims of social exclusion by caste, sex, ethnicity and by religion. In the society, they are isolated, discriminated and deprived of equal access to social and economic opportunities. Therefore, in the Indian context, the core feature of social exclusion is the denial of equal opportunities by certain groups of the society which impose themselves upon others and that leads to the inability of an individual to participate in the basic political, economic and social functioning of society.

Amartya Sen believes that the concept of social exclusion is useful because of its emphasis on the role of relational issues in deprivation. He then goes further, arguing that it is important to distinguish between exclusion which is in itself a deprivation (that is, the exclusion has constitutive relevance) and exclusion which is not in itself negative, but which can lead to other deprivations which do not have constitutive relevance. Sen cites landlessness and lack of access to the credit market as examples of this latter type of exclusion, which have what he calls 'instrumental importance'. That is, landlessness or not having access to the credit market may not be impoverishing in themselves, but may lead to other deprivations (such as income poverty) through causal consequences, such as the inability to take advantage of income-generating activities that require collateral or an initial investment and use of credit.

3.4 FACTORS, DIMENSIONS AND TYPES OF EXCLUSION

3.4.1 Factors of Exclusion

i) Spatial Factors

Spatial inequalities include disparities between rural and urban areas, and also between geographically advantaged and disadvantaged areas. Spatial disadvantage may result from the remoteness of a location which makes it physically difficult for its inhabitants to participate in broader socio-economic processes. Or, it may operate through the segregation of urban environments and the 'subcultures' of violence, criminality, drug dependence and squalor which can often characterize urban slums and excluded neighbourhoods. In some cases, ghettos of marginalized religious or ethnic groups can form as the direct result of communal violence. In many countries, these disparities are increasing, partly as a consequence of the uneven impact of trade and globalization. These disparities are particularly worrying where they overlap with political or ethnic divisions.

The spatial dimension of exclusion cannot be entirely separated from its resource and identity dimensions since it is usually culturally and economically marginalized groups that inhabit physically deprived spaces. Activities of economic and political importance are often concentrated in urban centers. These centers also benefit from a constant inflow of new material, financial and human resources from the peripheries. Government policies can also be biased towards these areas. As a result of this and the constant leakage of resources to the central regions, peripheral areas often have difficulty in self-sustaining economic development.

ii)   Migration

Migration can act both as a way of moving out of poverty, and a cause of social exclusion. For example, foreign remittances can help receiving households to increase their income and consumption levels, as well as their capabilities to face socio-economic shocks. However, rural-urban migrants for example, often do not benefit from the same political, social and economic rights as other urban citizens. They often find themselves in insecure, low-paid jobs, or become concentrated in vulnerable areas such as slums and deprived housing estates, with high levels of criminality and violence.

Similar conditions can also sometimes affect foreign immigrants or refugee groups, generating mutual mistrust and resentment. 'Host'-immigrant tensions can be increased by perceptions of religious, ethnic or cultural 'otherness' that can sharpen social divisions and potentially contribute to conflict. (However, findings from West Africa suggest that cultural similarities between immigrants and host populations can actually worsen immigrant-host relations.)

Where policy directly or indirectly discriminates against migrant and immigrant populations – through, for instance, the targeting of immigrants by law enforcement in the first case, or the failure to provide language assistance to foreign migrants in the second – this process may become cyclical, with structural exclusion driving low educational attainment, low employment, vulnerability to crime and consequent community tensions. There are thus fears that the exclusion of migrants can pose a threat to stability.

3.4.2   Dimensions of Exclusion

Here we will discuss the various dimensions of exclusion. Exclusion can be witnessed in political, economic, social or cultural dimensions.

*   Political exclusion can include the denial of citizenship rights such as political participation and the right to organize, and also of personal security, the rule of law, freedom of expression and equality of opportunity. Bhalla and Lapeyre argue that political exclusion also involves the notion that the state, which grants basic rights and civil liberties, is not a neutral agency but a vehicle of a society's dominant classes, and may thus discriminate between social groups.

*   Economic exclusion includes lack of access to labour markets, credit and other forms of capital assets.

*   Social exclusion may take the form of discrimination along a number of dimensions including gender, ethnicity and age, which reduce the opportunity for such groups to gain access to social services and limits their participation in the labour market.

*   Cultural exclusion refers to the extent to which diverse values, norms and ways of living are accepted and respected.

These relationships are interconnected and overlapping, and given the complexity of influences on individuals, it is impossible to identify a single specific cause in the context of social exclusion. People may be excluded because of deliberate action on the part of others (e.g., discrimination by employers); as a result of

processes in society which do not involve deliberate action; or even by choice. However, more generally, the causes of social exclusion that lead to poverty, suffering and sometimes death, can be attributed to the operations of unequal power relations.

3.4.3 Types of Exclusion

There are clear links between the concept of social exclusion and a rights-based approach to development. Social exclusion analysis can help to identify which groups are being denied access to their rights, and which actors or organizations are blocking their access. A social exclusion analysis is useful even when rights are not on the agenda, because it can help focus attention on those within society who are denied access to resources, institutions or decision-making processes. Social exclusion therefore also links to development agendas focusing on citizenship, participation, democratization and accountability.

i) **Social Exclusion:** addresses the political nature of deprivation, in that it examines the links between people's lack of citizenship status and their levels of poverty.

ii) **Political Exclusion:** political aspects of exclusion can include lack of political rights, such as political participation and the right to organize; alienation from or lack of confidence in political processes; and lack of freedom of expression and equality of opportunity. Citizenship is centered on the capability of exercising individual and collective rights, and inequalities in this capability can generate a social hierarchy, made up of first-class and second-class citizens. This often means that not all individuals are equal before the law, and that they do not all have the same access to public goods supplied by the state.

iii) **Economic Exclusion:** the distribution of resources and the accumulation of wealth is an unequal process, which is based on power relations, the capacity of various groups to lobby for their interests and influence the government's agenda, and the targeting of government policies. Economic exclusion also refers to the exclusion of workers (either totally or partially) from three basic markets: labour, credit, and insurance. Whilst this exclusion plays an important role in the reproduction of inequality, it is also itself the result of inequalities, in access to resources, employment, education, and public services. Educational status and particularly illiteracy can be an important cause of exclusion from the labour market.

Activity 1

Write about any social /political or economic exclusion that is being practiced in your surroundings.

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Check Your Progress - 1

Note: a) Use the space provided for your answers.

    b) Check your answers with those provided at the end of this unit.

1) What do you understand by human rights?

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2) What are the types of exclusion? Explain any one?

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3.5 IMPORTANCE OF SOCIAL INCLUSION

Social inclusion is of utmost importance to the marginal groups because they are discriminated in almost all walks of life. We will discuss why they need to be included through the explanations given below:

i) Health and Education

The greater poverty of socially excluded groups often translates into poorer levels of health and education, particularly when their poverty is combined with remoteness and lack of infrastructure and social services.

ii) Income Inequality

Social exclusion can lead to and result from disparities in income distribution, with the wealthiest segments of a country's population receiving the greatest proportion of its national income, income inequality arises from inequities in the distribution of assets such as land, credit and education**.**

iii) Violence and Insecurity

When individuals or groups and particularly youth, feel excluded from power structures, and deprived of legitimate outlets to express their grievances, they end up feeling that only violence can provide an opportunity for them to have a voice and to gain control over their own lives.

iv) Subjective Well–being

The psychological aspects of exclusion are also important. These include the absence of power, voice and independence, and vulnerability to exploitation and

humiliation. When people are treated as being less because of the colour of their skin, their sex, what they do for a living, and where they live, they can come to internalize a sense of lack of worth that profoundly affects their sense of what they can do and what they are due by society.

3.6   THE SOCIAL ENTERPRISE MODEL

Acting for the good of society is hardly a new phenomenon; in order to explain social enterprise, it is useful to look at their connections to the private and public sectors and at the different types of organizations. The social enterprise model incorporates three closely related dimensions: the different sectors, different organizational types and social enterprises and entrepreneurs. Between the government sector and the private sector, the two extreme values, can be found the non-governmental organizations (NGOs) that form the basis of the social economy sector.

3.6.1   A Case Study of the Tata Groups

a)   Self –Help Groups (SHGs)

Over 500 self-help groups are currently operating under various poverty alleviation programs; out of which over 200 are engaged in activities of income generation through micro enterprises. Women empowerment programmes through Self–Help Groups have been extended to 700 villages.

b)   Human Capital

Tata Motors has introduced many scholarship programmes for the higher education of children. Through a scholarship programme Vidyadhanam, the company supports several students. Most of these students are from marginalized sections of the society.

c)   Tata Tea

Tata Tea has been working hard since the 1980s to fulfill the needs of specially-abled people. It has set up the Srishti Welfare Centre at Munnar, Kerala; its various programmes provide education, training and rehabilitation of children and young adults with special needs.

3.6.2   Shahnaz Husain: A Successful Entrepreneur

Shahnaz Husain, India's pioneer in herbal cosmetics is credited with single handedly placing Indian herbals on the world cosmetic map. Her success story from a young girl from a conservative Muslim family to an international pioneer in the field of herbals is worth sharing.

Shahnaz Husain has been bestowed many awards, titles and laurels, among them:
- President of CIDESCO (it is world's major international beauty therapy Association)
- the first Asian to enter Selfridges in London and break a forty-year-old sales record
- GQM Commitment to Quality Award
- FICCI's (Federation of Indian Chambers of Commerce and Industry) Outstanding Women Entrepreneur

- US Magazine Success's "World's Greatest Women Entrepreneur" title and many more

A true entrepreneur, she has a huge share of the domestic herbal market, and sales counters in the best stores internationally, for example, the Seibu chain in Japan, Bloomingdales in the US, Galleries Lafayette in Paris, Harrods and Selfridges in London.

She was married at a very young age and became mother at the age of sixteen, but she always had confidence that she was made for something more. She didn't choose to sit back as a housewife; the young Shahnaz started writing articles for magazines. She used the money that she earned to fund her own education.

Staying with husband Nasir in Tehran, Shahnaz found the ideal opportunity in the international beauty schools there. After studying cosmetic chemistry in international beauty schools in certain centers including London, Paris and Denmark for close to eight years, Husain hit upon the idea of exploring the 4000 year old Indian Ayurvedic system, so that she could research and develop herbal cures and treatments.

"I had seen the debilitating effect of synthetic cosmetics abroad; there was no doubt in my mind that the herbal system would work," recalls Shahnaz. She returned to India to set up her business in one room, with a borrowed investment of Rs.35, 000 from her father. "I began with just one product – Shalife, a massage cream. My facials were priced at Rs.100, while you get one in the market for a trifling Rs.6," she recollects. Despite the hefty amount, Shahnaz soon started having more clients than she could handle. She invented a unique marketing style of her own. Shahnaz has never advertised her products, a fact that had Harvard in the US wanting to use her marketing system as a case study. "I would go to a place for one day, offer free prescriptions and advice, inaugurate the salon, and go back," says Shahnaz and it worked. Today, The Shahnaz group of companies has acquired a global presence, with exports to 132 countries including those in the Middle East, South East Asia, Australia and all over Europe, 17 herbal lines, with many more in R&D. Having completed more than 30 years in the business, Husain is busy expanding her empire by adding health resorts, signature garments, accessory lines and more to her portfolio.

Activity 2

Write about any one socially inclusive CSR project being implemented in your vicinity.

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3.7 WELFARE AND ECONOMIC GROWTH

Great economists like Adam Smith, John Keynes were concerned about the "wealth of nations". The promoter of classical economics, Adam Smith, analyst of competition and growth, emphasized that both market and competitions play an important role in improving the welfare of nations, by giving motivation and economic force. Thus, the productive and innovative potential of the economy can be fully used for achieving growth and wealth. It is obvious that the concept of market economy arises from socio-economic legitimacy of the competition involving everyone in the production and consumption of wealth. It raises the question whether the distribution or the redistribution of wealth boost productivity. Therefore, to fulfill this purpose the state must allow and promote efficient and equitable resource distribution.

Representing the modern stage in economic science, Leon Walras (1874) has reformed the idea that the role of each individual and the state do not oppose each other, but complement each other, each having its scope. According to Walras (1874), the state is responsible for ensuring the general conditions of common existence to all citizens, and the individual must obtain through work and skills his own welfare. Walras (1874) underlined that state should balance the rights of the individual with the state functions. Subsequently, in the evolution of economic thought an important role was played by John Stuart Mill, who is one of the promoters of the social market economy. Mill (1888) was committed to reforms and even proposed a social-liberal social policy. It shows that a propriety system that ensures increasing material wealth at the expense of freedom is doomed sooner or later to failure.

In the modern stage, John Keynes revolutionized the entire economic theory by promoting an active state intervention in economy. The advocates of the welfare state that are based on Keynesian solution, propose high public spending to finance important public investments for economic development. Keynes's followers underline the importance of the salary in the distribution of goods. Securing a job is a first step in improving living conditions. Membership in a union provides individuals the opportunity to participate in decision-making system at the micro level. So, employment on one hand provides the foundation for a decent standard of living and on the other, socio-economic rights. Keynes's followers' point of view is that salary is the main channel of distribution of goods in the welfare state, and the essence of the welfare state is creating jobs to ensure a high quality of life for all. According to the Keynesian model, the welfare state assumes that full employment can be achieved only through stable economic growth. Economic growth is seen as a necessity for fair distribution and for the development of social protection. So, stimulating economic growth is the primary means of achieving a welfare state. Only by increasing production can be achieved a balance between supply and demand in the labour market and can ensure the financing of a social protection system, that meets current social needs.

The European Social Model based on sustainable growth covers a wide range of objectives, namely: resource efficiency, ensuring macroeconomic stability and competitiveness, education and continuous training of the workforce, increasing employment and equal opportunities. In early March 2011, The European Commission launched the "new strategy for sustainable growth and jobs", the strategy 'Europe 2020', which replaces the Lisbon Strategy, adopted in 2000. The

strategy 'Europe 2020' outlines the new vision of the EU's development model of market economy in the next decade, based on three pillars: smart growth, which is based on the knowledge economy and innovation, sustainable growth, which involves a competitive economy which is allocating resources efficiently, and inclusive growth, which assumes full employment and social territorial cohesion.

The laws of economics say social welfare should be in accordance with the economic development level of a country. Welfare programmes that are beyond a country's development level are not good for economic development, as has happened in Greece. On the other hand, if the economy develops rapidly without corresponding improvement in people's living standards and public welfare, people will not feel a "sense of gain", which in turn will have a negative impact on economic development.

First, excessive welfare beyond a country's development level will impede accumulation and harm welfare programmes in the future. In economics, production is the top priority and it decides consumption. A society has to improve its production level if it wants to improve its consumption level. Production here refers to extended production, because only expanding the scale will breed competition and provide unfailing supply. The expansion of scale should be high-quality and high-level expansion of production through innovation and improvement of the industrial structure.

Second, welfare is not a free lunch. Welfare at any level needs economic support. High levels of welfare in countries such as Sweden depend on high taxation and high deficit. But the high-level welfare in Greece depends on high debt. High welfare supported by high taxation reduces development funds for enterprises, impeding the development of enterprises. And if enterprises lose energy, the entire economy will suffer. High taxation also affects individuals' desire and capacity for consumption and thus undermines people's enthusiasm to expand production.

Third, excessive welfare will breed dependence and result in waste of social resources. Although high welfare comes from individual taxpayers' contribution, it seems like a public welfare provided by the state. It will result in many social problems, such as waste of social resources, voluntary unemployment and retirement in advance. Once people get used to this kind of dependence, economic development will be undermined.

Fourth, welfare provided by the state is a redistribution of social resources. But such redistribution has many disadvantages. For example, it could lead to rent-seeking and distort market signals. However, economic development will also be undermined if the authorities fail to provide enough welfare for the people.

Check Your Progress - 2

Note: a) Use the space provided for your answers.

   b) Check your answers with those provided at the end of this unit.

1)   What is social enterprise model?

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2)   What is 'Europe 2020'?

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3.8   LET US SUM UP

Human rights, social inclusion, and social welfare are very important and relevant issues which every nation should treat with utmost importance. For overall development of a society each section of the society should progress equally. Mere economic growth cannot be a complete measure of development. Steps taken towards ensuring social welfare and social inclusion strengthen the society as a whole.

In this unit you read about the meaning of human rights, the evolution of human rights movement in India. You have also read about social exclusion. Social exclusion and discrimination are practiced on the basis of ethnicity, gender and religion. You have also read about the various factors that lead to exclusion. Political, social, economic and cultural dimensions of exclusion have also been dealt with in this unit. The importance of inclusion has also been discussed along with the social enterprise model. In the end, the issue of inter-relation between welfare and economic growth has been discussed.

3.9   KEYWORDS

Entrepreneurship :   The activity of setting up a business or businesses, taking on financial risks in the hope of profit.

Human Rights :   Human rights are moral principles or norms that describe certain standards of human behaviour and are regularly protected in municipal and international law.

Social Exclusion :   Exclusion from the prevailing social system and its rights and privileges, typically as a result of poverty or the fact of belonging to a minority social group.

Migration :   Movement of people to a new area or country in order to find work or better living conditions.

Social Enterprise :   A social enterprise or social business is defined as a business that has specific social objectives that serve its primary purpose. Social enterprises seek to maximize profits while maximizing benefits to society and the environment. Their profits are principally used to fund social programs.

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3.10 CHECK YOUR PROGRESS - POSSIBLE ANSWERS

Check Your Progress - 1

1) A human right by definition is a universal moral right, something which all men, everywhere, at all times ought to have, something of which no one may be deprived without a grave affront to justice, something which is owing to every human being simply because she or he is human".

2) The types of exclusion are:

   i) economic Exclusion

   ii) social Exclusion

   iii) political Exclusion

   Political aspects of exclusion can include the lack of political rights, such as political participation and the right to organize; alienation from or lack of confidence in political processes; and lack of freedom of expression and equality of opportunity.

Check Your Progress - 2

1) The social enterprise model incorporates three closely related dimensions: the different sectors, different organizational types and social enterprises and entrepreneurs. Between the government sector and the private sector the two extreme values-can be found the non-governmental organizations (NGOs) that form the basis of the social economy sector.

2) 'Europe 2020' outlines the new vision of the EU's development model of market economy in the next decade, based on three pillars: smart growth, which is based on the knowledge economy and innovation, sustainable growth, which involves a competitive economy which is allocating resources efficiently, and inclusive growth, which assumes full employment and social territorial cohesion.

UNIT 4 REHABILITATION AND RESETTLEMENT

Structure

4.1 INTRODUCTION

Rehabilitation and resettlement (R&R) has been a burning issue in India even before independence. But it came into the limelight with the planning of large dams such as the one on Narmada river. It is seen as a big challenge by the business, civil society, development professionals, affected persons and the government for industrialization and development of the country.

The number of people displaced due to development projects are staggering. While there is no reliable data on the number of project affected persons (PAPs), a term used commonly in the domain of R&R, displaced or affected due to development projects, the estimates vary widely from 50 to 100 million persons. Further, there is no reliable data on the number of PAPs who have been resettled or rehabilitated. This has created skepticism among planners, project proponents and the public at large about the effectiveness of the measures taken to rehabilitate or resettle the PAPs.

At the time of independence in 1947, the infrastructure available in India was largely inadequate. Most of the area was quite remote with practically no social infrastructure. India took the path to development through construction of massive infrastructure projects like large multipurpose river valley projects, thermal power projects, mining of minerals, construction of roads and development of industrial hubs, etc. which required large tracts of land with consequences of involuntary acquisition of land and involuntary displacement. Rehabilitation and resettlement of the population so displaced was and remains an important concern.

After studying this unit you will be able to:

- Explain various issues related to rehabilitation and resettlement

- Describe the steps in formulation and implementation of R&R action plan

- Recognize the importance of linking R&R with CSR

4.2 THE ISSUES OF R&R

The requisition of large tracts of land for various development projects involved acquisition of forest land as well as agriculture land. The government under the

law of 'eminent domain' has absolute right to acquire any private land for public purpose. It implies that what is good for larger section of society can be done at the cost of small section of land oustees. Is this the right approach or should this small section of land oustees be compensated, or should they also be supported for their rehabilitation and resettlement?

Initially, most of the projects were under the government or the public sector for which the government issued some guidelines for giving preferences in employment and development of resettlement colonies. However, this was sporadic and not adequate.

Development projects that displace people involuntarily generally give rise to severe economic, social, and environmental problems: production systems are dismantled; productive assets and income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community structures and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out.

4.2.1   Issues Related to R&R

Various issues related to R&R that need to be addressed are:

1)   Identification of Land to be Acquired

The acquisition of land often includes the acquisition of prime agriculture and/ or forest land. Therefore, all efforts should be made to avoid or minimize the requirement of such land. The least that could be done is to avoid or minimize the acquisition of homestead. Such good intention could sometimes adversely impact the livelihood and access of the PAPs. Thus, there is a dire need to do due-diligence while deciding the extent, boundaries and location of land to be acquired.

The projects like mining and hydro-electric projects cannot be shifted due to geological requirement of the project. But a little compromise on the mining boundary or submergence level of hydro project could substantially reduce the number of PAPs and ameliorate the suffering of the land oustees. The location of mega projects like steel and thermal power have to be near the natural input resources and need contiguous piece of land, albeit the boundaries can be realigned and township could be shifted to avoid acquisition of prime agriculture and forest land and avoid/ minimize acquisition of homestead. More flexibility is available in the linear projects like railways and roads for changing the alignment to minimize the hardship to land oustees.

The stakeholder engagement with the potential land loser will help in avoiding or minimizing the acquisition of prime agriculture, forest and homestead land and could best be carried out during project formulation, environmental and social impact assessment and the public hearing for obtaining statutory environmental clearance.

2)   Land Records and Payment of Compensation

The land is a state subject and so is the issue of records related to land ownership.

The land records are kept by the Patwari of the village and are rarely updated, though they are supposed to be updated every 30 years, which itself is a long period. The land owners rarely feel the need and importance of updating land records as land remain in the family over generations and is rarely traded. It becomes difficult to assess the real value of land as assessment is based on the last traded value. This becomes a hurdle in deciding compensation for land and homestead of oustees leading to legal claims that continue in the courts for decades.

For the forest dwellers who are displaced, no land records were available making them ineligible for compensation. The compensation that is paid to the PAPs remains meagre in such situations and is not available to those who do not have legal land rights.

3)   Identification of Project Affected Persons

Since land records are not updated or land owners are not traceable or not residing in the impacted area or the tribal for whom no land records are available, it becomes a major hurdle in identifying the PAPs whose livelihood from such land is adversely impacted.

Then there are people who do not own land and cultivate land on sharing basis. Some work as daily wage earners for cultivation. Some have been cultivating the revenue or forest land for generations and do not have land in their name. These persons do not have legal identity for their source of livelihood and hence it becomes a legal issue to identify such persons as PAPs and to prove that their livelihood was impacted due to land acquisition.

The third category includes those, who have non land-based occupation or part time occupation like cobbler, carpenter, ironsmith, potter etc. They do not have legal identity to prove that their livelihoods will be impacted due to acquisition of land.

Even for those whose legal identity is available, there are person with multiple names having land in multiple locations resulting in multiple entries as PAPs. There are outsiders who buy a small piece of land to claim R&R benefits and enroll as PAPs.

There are instances where persons keep claiming about their loss of livelihood and entitlement as PAPs for decades, making them disgruntled and dissatisfied losing their trust in the process of land acquisition and consequent R&R.

4)   Loss of Livelihoods

While the expropriation of land resulting into the loss of livelihood, which is not merely a monetary loss, is an important issue at stake, what is equally important is the style of earning that livelihood.

A piece of land provides the essential economic security in day to day dealing as also for taking a loan in case of an emergency. The harvested crop is also used for bartering to meet the other needs in an effective way. The cultivation also provides food security, as a part of food is stored away for the need of the family. The traditional wisdom and skills of agricultural practices are passed on through generations for which formal education or training is not required.

People with skill and knowledge of making agricultural tools and implements have been supporting the agricultural economy. People making household utility items have been an integral part of rural economy. The forest based economy has been supporting the tribal people. Tribal people develop and depend on their own traditional skills and knowledge for harvesting the forest produce and medicinal plants. The loss of land result in their skill and knowledge harnessed over decades redundant in one go. The rural or the forest based economy is not dependent on market economy where the traditional knowledge and skills are valued and monetized to calculate the compensation for their losses.

Agriculture also provides adequate freedom of working. The work is not totally dependent on one person but the entire family is involved. If a person is not able to attend the agriculture work for one day, his survival is not at stake. Even other members of a family can go and attend the work. In offseason, the person is free to meet various social obligations, do other miscellaneous work and earn additional income or just enjoy the life. In fact, agriculture provides employment to each member of the family, particularly the women. Thus, the freedom of working on one's own terms is lost. The restoration of livelihood is, therefore, not merely in monetary terms alone. People aspire to restoring the process of earning that livelihood.

5) Loss of Home

The issue of resettlement into a new area creates its own complexities. There are issues of ecological incompatibility, where the resettled area is in stark contrast to the environment in which the PAPs were accustomed to living. Issues of nonavailability of opportunities for traditional livelihood force them to change to alien occupations resulting in disruption of the lifestyle of PAPs.

For tribal people, the choice of place for resettlement will obviously be in close proximity to the forest, being familiar to such environment and dependent on forest produce. For PAPs involved with the agriculture, the prudent choice would be availability of agricultural options, easy access to water and pasture for animals. Another important aspect would be familiarity of the culture, customs, traditions and the spoken language. Resettling them in non-familiar environment will alienate them from the host community resulting in hostility and consternation. Entry into the labour market typically is despised by the tribals and traditional agriculturists.

Resettling from the unplanned rural village to urban layout of the resettlement colony in urban environment creates stress, more so with the unfamiliar neighbourhood. The urban layout is devoid of spaces for cattle, kitchen garden, household activities, storage of grains and cattle fodder both at individual and community level. In many cases, the resettled population was not entitled to legal rights over the land in the resettled area. The resettled population in the new area faces the problem of adjustment with the host population with increasing pressure on the already stressed frugal social infrastructure.

6) Community Facilities and Infrastructure

As most of the basic social infrastructure are not available in the remote rural village that are proposed to be acquired, it is envisaged that basic minimum facilities be created, that too in the resettlement colonies. These typically include provision of primary school, primary health centre, hand pumps for water supply,

WBM roads in the village, community centre, area electrification, etc. The villages, which are not acquired though the PAPs continue to live there or where PAPs shift on their own, are either left out or efforts of providing facilities are symbolic. Traditional rural infrastructure like ponds, wells, pasture land, trees, fodder, etc., are lost in the maze of semi urban environment and not replenished.

In contrast, the industrial townships have all modern facilities including hospital, English medium higher secondary school, piped water supply, black top/concrete road, recreational facility, markets, etc.

These situations create disappointment among the PAPs and the host population, who with the advent of internet and TV are exposed to the facilities available in the cities like malls and multiplexes and aspire to have similar facilities.

Activity 1

List out various community facilities that you think should be provided while rehabilitating a displaced population.

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7)   Lack of Stakeholder Engagement, Loss of Dignity and Ethical Values

The PAPs are often illiterate but have traditional wisdom and self-respect and dignity. Since the PAPs do not speak corporate language, it is assumed that they are not wise enough to take decisions about their own lives, hence the opportunity of stakeholder engagement is denied. All decisions made by the project authorities and the local government are imposed on PAPs assuming that it is for the good and welfare of PAPs. This paternalistic approach results in lack of trust and snowballing of minor issues which could otherwise be mutually resolved.

A feeling of injustice is generally embedded in the minds of PAPs due to lack of adequate transparency and consultative mechanism during the process of acquisition of land and they turn into persons who are 'difficult to handle', needing much empathy rather than sympathy. Some outsiders often have a biased opinion, and treat these PAPs as parasites on the project. Thus, in spite of extending rehabilitation benefits, marginalization occurs, not just in the economic dimension but also in social and psychological dimensions.

A strong feeling is created that local people are lethargic and inefficient as compared to outsiders, resulting in alienation from the project, mental agony and xenophobia. This often results into ethnic clashes. The issue is more complex than it appears to be and creates a situation of dilemma.

This warrants a formal well-structured written down approach for engaging with the PAPs. The engagement has to be at regular fixed intervals and records of such meeting need to maintained and communicated to PAPs in transparent and timely manner.

8)   The Grievance Redressal Mechanism

While the judicial process of grievance redressal is available in a democratic setup, not everyone has resources to avail justice from the court. PAPs have expectation from the project authorities to address their day to day grievances. These include issues of land acquisition, compensation, and identification of PAPs, etc., which are technically under the purview of state government. In the absence of genuine grievance redressal, PAPs get lost as to whom to approach. Ultimately, PAPs lose trust in the process of land acquisition and R&R. A good, transparent and structured grievance redressal mechanism will help PAPs to restore trust and participate in the process of development.

Check Your Progress - 1

Note: a) Write your answer in about 50 words.

b) Check your answer with possible answers given at the end of the unit

1)   What are the ill effects of displacement due to development projects?

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2)   What are the issues related to a grievance redressal mechanism?

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4.3   FORMULATION AND IMPLEMENTATION OF R&R ACTION PLAN

The preparation of R&R Plan is not an *ad hoc* activity but needs careful planning by formulating a comprehensive Action Plan. The plan needs to take into account the variables like the background and impact on the social, cultural, historical, economic, environmental and geographical aspect on which PAPs have been dependent. It is necessary to engage with the PAPs, project authorities and the government before finalising the options for rehabilitation and resettlement.

Depending on the magnitude of displacement and other factors, the resettlement plan normally contains the following structure:

1)   About the project for which land is acquired

2)   Objectives, goals and policies

3) Map demarcating project area and resettlement sites

4) Baseline socioeconomic survey

5) Social and environmental impact assessment

6) Legal framework

7) Valuation of and compensation for lost assets

8) Land tenure, acquisition, and transfer

9) Community participation between both PAPs and host populations

10) Plan for rehabilitation

11) Plan for resettlement

12) Plan for community development

13) Project implementation mechanism

14) Deliverables, output, outcome

15) Organizational staffing, institutional set up

16) Timeline, specific start and end dates

17) Estimated budget, financial plan

18) Monitoring and evaluation mechanism.

4.3.1 Steps in Formulation and Implementation of R&R Action Plan

Formulation and implementation of the R&R action plan involves the following steps:

1) Baseline socio-economic survey

The baseline socioeconomic status of PAPs is important for formulating, implementing, monitoring and evaluation of R&R Action Plan. The objective of the *Rehabilitation and Resettlement Action Plan (RAP)* is to ensure that the PAPs improve or at least regain their previous standard of living. Therefore, it is necessary to establish the baseline status of PAPs through a socioeconomic survey. It not only covers the secondary data from the government agencies like census, but also through a structured questionnaire to establish the present socio-economic status and standard of living of each PAP.

2) Environment and Social Impact Assessment Study

The Social Impact Assessment (SIA): "Social impact assessment includes the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment."

The purpose of the SIA is to inform decision makers and the public of the social and economic consequences of implementing a proposed project. The SIA will facilitate in formulation of a detailed *Rehabilitation and Resettlement Action Plan (RAP) including a community development plan.*

3) Rehabilitation

The sustainable restoration of livelihood not only requires restoration of regular monetary income but also extend the opportunities to PAPs to utilize their full potential while maintaining their dignity. The biggest challenge is from the immigrants who come looking for the opportunities with the development of the projects. The immigrants are usually skilled, experienced, and knowledgeable and outperform the PAPs in all spheres of life. Another challenge is adaptation of new skills and knowledge which are in demand in neo industrial environment and do not match with the traditional social status and life style.

Hence, restoration of livelihoods need careful planning and intense engagement with the PAPs to make them psychologically prepared for the change. Some of the options available are outlined below:

i) Land for Land

The 'Land for Land' becomes the obvious first and the best choice of option since it assures the restoration of income in original lifestyle. This requires an adequate facilitating mechanism even before the compensation is paid to affected population under the Act. Often the right type of land is not available at the right time, right location and right price, thus rendering this option non-viable. The hostilities of the host population also remain an issue. The average land holding of families is about one acre which is getting smaller with time, making the land a scarce commodity. Yet, this becomes a viable option on a "willing buyer – willing seller" basis.

ii) Self-Employment Schemes

These are considered as the most available and viable option due to increase in demand of goods and services with inflow of project dependent population and evolution of semi-urban environment. However, this becomes the least preferred option due to the uncertainties and the risks involved. The lack of education, skills and entrepreneurship abilities also affects the viability of this option.

Some of the common schemes include carpet weaving, masala grinding, bamboo crafting, dairy, poultry, carpentry, goat rearing, apiculture (bee keeping), sericulture (silkworm rearing), pisciculture (fish farming), handicraft, etc.

While it may be seen as successful in short run due to support of project, many factors need to be taken into consideration to ensure its sustainability. These factors include lack of entrepreneurship, lack of gap in demand and supply, availability of input resources, skill and knowledge about the scheme, lack of marketing skill, issue of money management and competition from outsiders. Other factors include comparison with easy and comparable earnings from contractual employment (based on minimum wages and working hours).

Activity 2

List various self-employment schemes which you think can benefit the displaced in earning a livelihood.

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iii) Employment in the Project

Historically, regular employment in projects is the most preferred option, not just due to political promises or getting benefit from the project, but because it is least risky and more promising for ensuring sustainable livelihoods.

In the changing social environment, a regular job in the project instantaneously improves the social status of the person and puts him into an elite class who has total economic as well as food security, has access to the best educational and medical facilities, has uninterrupted electricity, water supply and housing in a modern township.

Thus, regular employment not only addresses the restoration of previous standard of living but provides significant improvement making this alternative the most sought after and envied. However, with the advancement of technology, automation and need to meet the global standards of efficiency and manpower requirement, it becomes increasingly difficult to provide one job per family.

iv) Small Contracts in the Projects

There are several opportunities in the project for providing the services through small contracts on preferential or allocation basis. These include the award of petty contracts on individual basis, award of contracts to labour cooperative of PAPs, hiring of vehicles by the project, allotment of shops, etc. While these are excellent opportunities, it creates total dependency on the project which sometimes hampers the effectiveness of the scheme.

4) Resettlement

There have been several instances in the past where the PAPs have rejected the fully developed resettlement colonies, sometimes even with the built-up houses. The selection of a house is one of the most important life decisions that an individual takes and hence individuals would like to choose the best from the available options. In contrast, the selection of location of resettlement colony and a house within the resettlement colony is often imposed on the PAP without consideration of any alternatives. Some of the factors that impact decision of the PAP to select or reject the resettlement colony include:

1) Access to livelihood opportunities

2) Access to market

3) Access to health and education facilities

4) Availability of space in the house for storing fodder and grains and shelter for domestic animals

5) Availability of space for expanding the house in future as the family expands

6) Availability of community land for pasture land, fodder, village pond, wells, trees, celebrating festivals, etc.

Ideally, the best option is to superimpose the original village layout onto the new resettlement area, identified in consultation with the PAPs. The PAPs should also be given opportunities to settle at the place of their choice other than the resettlement colony.

5) Community Development

The community development projects have to be planned and implemented with a long term objective of provision for basic infrastructure and civic facilities. This is required not only in the resettlement colonies but in the affected villages and other neighbouring villages. The objective is that the neighbouring population gets a share in the fruits of development due to establishment of industry in the neighbourhood. The critical issue is about ensuring that the infrastructure created under community development is adequately maintained and the community is involved in identification and prioritization of the community development projects.

The planned activities should be aligned with the national development goals and UN sustainable development goals and should be based on scientifically evolved development indicators and not based on the demand of influential people.

6) Stakeholder Management

The stakeholder engagement process not only enables companies to understand the concerns of the PAPs but significantly reduces the risk by addressing the concern in time. It also helps in checking those with vested interest to take advantage of communication gap between the stakeholders and project officials. A formal stakeholder engagement process includes identification of scope and boundary of engagement and identification of individuals among the stakeholder group who will participate in the process. It is also important that records, notes of discussions, reports of actions taken on mutually agreed issues and details of communication are maintained properly to reduce the risk of compliance or any other legal risk in future. One of the examples of the stakeholder mechanism is the formation of a Village Development Advisory Committee (VDAC) with representatives from the affected villages, PAPs, state governments and the project officials. NGOs and elected representatives of people could also be members of VDAC. The VDAC could meet on a quarterly basis and share records and notes

7) Data Management and Reporting

Many of the issues erupt at a later date due to lack of maintaining records of related data. Lack of data also creates doubt in the mind of PAPs about the veracity of information. The data have to be complete, timely, reliable, and relevant. Data management starts with the details of land to be acquired, valuation of land

and other assets, payment of compensation, list of identified PAPs and their entitlements and the benefits received. It includes the details of stakeholder engagement as well as grievance redressal.

8)   Grievance Redressal

A formal three tier mechanism should be created to address all the grievances of the PAPs from the stage of land acquisition of the project to final delivery of rehabilitation and resettlement benefits. This mechanism can be on a fortnightly or monthly basis. The initial grievance could be addressed through the VDAC. In case the PAPs are not satisfied by the decision of VDAC, PAPs may raise the issue with the second tier at the level of head of the project. The PAPs should get another opportunity to appeal at the third level of the mechanism, either at the regional or at the corporate level, as decided by the project.

4.4   INTEGRATING R&R AND CSR

CSR in the area covered under involuntary land acquisition is very complex as it is intrinsically linked to the trauma of involuntary resettlement and rehabilitation, socio-cultural turmoil and different expectation and aspirations of the PAPs. It is necessary to understand the changing landscape of the rural environment into semi urban industrial environment.

While R&R has to address the issues of the emotions and expectations of the project affected persons who have certain rights, it addresses the issues more at individual level. The CSR on the other hand addresses the issues of the basic needs and aspirations of the persons at community level, treating both affected and un-affected persons at par.

The industry needs to continue to invest in the community development activities to improve the standard of living of the PAPs and the community in the neighbourhood villages; to maintain cordial relations with the local authorities and communities; and to minimize social risks associated with social license to operate.

Therefore, the CSR activities need to be intrinsically linked with the community development activities identified and planned under the RAP. As the awareness of the community keeps evolving and population keeps increasing, the need for CSR activities also keeps evolving. However, the industry should not lose the guiding principle of identifying the CSR activities in the light of national and sustainable development goals and the aspirations of the community.

Check Your Progress - 2

Note: a) Write your answer in about 50 words.

b) Check your answer with possible answers given at the end of the unit

1)   What are the factors that influence the decision of the PAP to select or reject the resettlement colony?

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2) What is the importance of baseline socio-economic survey in formulation of R&R Action Plan?

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4.5   LET US SUM UP

Land acquisitions for development projects lead to displacement of people from their locality, environment and occupational activities. Forced displacement affects employment, income levels, productivity and overall household well-being of the displaced. Hence it is important that steps are taken to restore the livelihood and well-being of the persons displaced due to developmental projects. In this unit you have read in detail about various issues related to rehabilitation and resettlement. In order to ensure the improvement of standard of living of project affected families after resettlement, R&R action plan should be prepared after thorough analysis of their needs and expectation and their cultural and social aspirations. In this unit you have also read about the various steps involved in formulation and implementation of R&R action plan. Finally, the unit also briefly discusses the importance of integrating CSR and R&R.

4.6   KEYWORDS

Rehabilitation and Resettlement (R&R)	:	R&R is needed when people are forced to move out of their land due to reasons beyond their control. Rehabilitation means restoration to former state of existence and resettlement means settling again in a new area
Project Affected Persons (PAPs)	:	Are people who are directly affected by land acquisition for developmental projects through the loss of a part or all of their land, houses, business, crop or other types of assets
Oustee	:	A person who is removed from his place of residence owing to the land being taken for developmental project

4.7   BIBLIOGRAPHY AND SELECTED READINGS

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4.8 CHECK YOUR PROGRESS – POSSIBLE ANSWERS

Check Your Progress - 1

1) Development projects that displace people involuntarily generally give rise to severe economic, social, and environmental problems: production systems are dismantled; productive assets and income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community structures and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished.

2) While the judicial process of grievance redressal is available in a democratic setup, not everyone has resources to avail justice from the court. PAPs have expectation from the project authorities to address their day to day grievances. These include issues of land acquisition, compensation, and identification of PAPs, etc., which are technically under the purview of state government. In the absence of genuine grievance redressal, PAPs get lost as to whom to approach. Ultimately, PAPs lose trust in the process of land acquisition and R&R.

Check Your Progress - 2

1) Some of the factors that impact decision of the PAP to select or reject the resettlement colony include:

   1) Access to livelihood opportunities

   2) Access to market

   3) Access to health and education facilities

   4) Availability of space in the house for storing fodder and grains and shelter for domestic animals

   5) Availability of space for expanding the house in future as the family expands

   6) Availability of community land for pasture land, fodder, village pond, wells, trees, celebrating festivals, etc.

2) The baseline socio economic status of PAPs is important for formulating, implementing, monitoring and evaluation of R&R Action Plan. The objective of the *Rehabilitation and Resettlement Action Plan (RAP)*is to ensure that the PAPs improve or at least regain their previous standard of living. Therefore, it is necessary to establish the base line status of PAPs through a socio-economic survey.
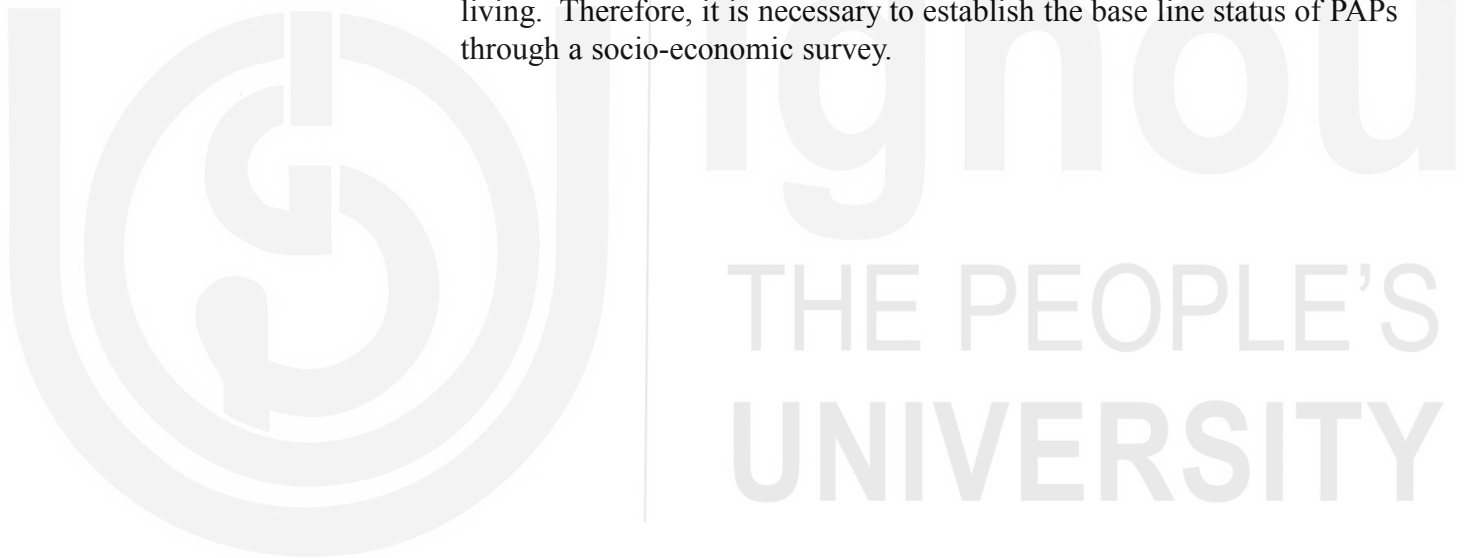
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