CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE IN SUPPLY CHAIN:

Pallikkara Viswanathan

Faculty Member of IIMM Bangalore Br.

Abstract

Corporate social responsibility, governance, if adequately addressed in supply chain issues can be better managed; the legal and economic risks become a part corporate responsibility. The new technology change, encouraged by various successions of consumers, is increasingly holding organizations accountable for unethical behavior with the organization in supply chain. Regulations made by government have increasingly started to act, and require organization to disclose more information regarding their own, and their suppliers. Due to this the pressure on the organization: 1. Develop an effective comprehensive legally, corporate social responsibility in business operation in sales, human resources, legal marketing, communication, supply chain functions. The potential benefits of corporate social responsibility, Governance, in the organization is to include better brand recognition position business, reputation, increased sales, and customer loyalty.

Corporate social responsibility, governance, is a business approval that contributes to sustainability development by delivering economic, social and environmental benefits for all partners in supply chain.

Corporate social responsibility, also governance, in supply chain is increasingly becoming popular business, concept in developing economies and countries where multi-national companies have established profitable supply chain.

Corporate social responsibility, with governance is often considered as uncomfortable in multinational organization, which is often challenged by total reach of the supply chain, and sometimes the irresponsibility practices that are inherent in supply chain. The possibility of the irresponsibility in supply chain is often under pressure to protect the brands even if it is to protect the responsibility of the suppliers. The pressure is often understood in corporate social responsibility, with proper governance, in supply chain on the organization, and is to take care of the advantage of the situation in supply chain.

Introduction:

Corporate social responsibility, with governance in supply chain, with sustainability is derived from the concept of sustainable development which is defined as the development, which meets the need of the present system. In not comprising the ability of the future generators to meet the own needs of corporate responsibility, also governance, which is sustainable, refers to the role the organizations can play in meeting the agenda of sustainable development, and entails a balance approach to economic progress of social and environmental in the goods that the consumer utilizes and returns when not necessary for use supply chain.

Analysis and network with corporate social responsibility, governance, is considered to be multi-criteria decision, making behavior of various decisions makers, like manufacturers, retailers, and consumers in supply chain, which includes maximization of net return, and minimization of risk in supply chain.

The decision makers of corporate social responsibility, governance, in supply chain can bring in equilibrium in the product output, transactions, product prices, with the levels of social responsibility in supply chain activities that can potentially reduce risk and environmental impact in supply chain.

In the early stages the concept of sustainable development in corporate social responsibility, governance, has been introduced, in spite of the sensitivity of the stake holders, and lot development in supply chain was emphasized, in order to fulfill the needs without causing harm to the organization, and as focused on economic, social, environment, factors the organization should consider in supply chain.



Purpose of the study:

Sustainable development emphasis how today's organization can fulfill then needs, incorporate social responsibility, without inflicting the needs of the future generations in supply chain. Concepts of Corporate social responsibility, governance, with sustainable development have been developed separately, and social responsibility mainly focuses on social issues, as human rights with sustainable development, mainly focuses on environmental issues in supply chain which has become a part of corporate social responsibility.

In addition to environmental issues and regulatory concerns, social issues, which also includes purchasing, and storage, transportation, being a part to keep its crucial importance, in supply chain, the corporate social responsibility, governance, requires a great amount of investment, and organization need to integrate corporate social responsibility concept, with the process for higher customers' satisfaction, loyalty for corporate image, reputation, higher production, lower costs, and higher business profitability in supply chain.

Supply chain changes in the behavior of consumers, whose awareness, sensitivity on social and environmental, issues increase and constitute reasons to implement, corporate social responsibility, also governance, which is to be applied accordingly in supply chain activities for better corporate management, having high productivity, lower costs, and thus a better profitability to the organization in supply chain .

Literature review:

Corporate social responsibility, governance in supply chain is to give importance to consumers, also the behaviors of the of consumers, and the sensitivity to the product, prefers products of the organization that attach more importance to the product environment, and that also attach better corporate management, reputation, high productivity, lower cost, more emphasis on activities related to social responsibility and that gives 75% higher profit to the organization.

Supply chain are increasingly under pressure mainly customers and stakeholders of supply chain organization, to implement corporate social responsibility, with necessary governance, management system, across the chain. Organization throughout the supply chain is obliged to implement practices, and initiate activities on economic environmental and social aspects to maintain their sustainability in corporate social responsibility. To transfer and share corporate social responsibility, also governance, across supply chain companies, adapt several practices such as establishing written supplier requirement, monitoring supplier performance, and if they meet the requirements, and contributing supplier awareness on social and environmental issues to maintain 60% sustainability in supply chain, since most companies interact with organization in supply chain.

In terms of forward supply chain from the procurement of raw materials, to the delivery of the product to the end-user, organization systematically integrate corporate social responsibility, governance, principle to their business, process and functions, including purchasing, warehousing, storage, packaging transportation and distribution. In addition in terms of reverse supply chain, organization also integrates, relevant practices, from retrieving the product from the customer, to re-usage, remanufacturing, recycling, and disposal constituting 50% in supply chain.

Research Methodology:

Areas of Corporate Social responsibility, governance, in supply chain: Supply chain management is a process comprise of several distinct but interconnecting functions, and activities, internal and external transportation management, warehousing, inventory management, acquisition management, logistic service providers, resource management, packaging, assembly, customer service, are among the most important service in supply chain. The possibility of breaking down supply channels, which are two main flow, of the organization, forward flow,(goods sent to consumer) and reverse flow,(goods taken back from the consumer) taking into consideration of the process in main areas of social responsibility in supply chain.



- 1. Organizational practices in supply chain: 1. to determine corporate social responsibility, governance, goals in a supply chain it has been agreed to know the organizational affects and changes: 2. To given preference, determine the roles, and responsibilities or human resources in corporate social responsibility, governance, in logistic and supply chain. 3. Provide relevant details about corporate social responsibility, also the governance, to suppliers: 4. Implementation of feedback system, from suppliers regarding practices in corporate social responsibilities, governance in supply chain. 5. Ethical practices in supply chain of not accepting free gifts, free services, from suppliers, and not creating illegitimate pressure on suppliers. 6. Not sharing price, and service information about suppliers to any other organization. 7. Not favoring suppliers on selection, and promoting a fair price standard. 8. It is to be assumed that all departments in the organization adopt ethical standards and an independent purchase system for the benefit of the organization, and standards are set in independent purchases. 9. Not favoring any supplier, and not creating illegal or illegitimate advantage in competition using, by using or giving wrong information wantonly since in most organization the transparency of selection of suppliers or vendor's selection is the management decisions and this becomes corporate responsibility.
- 2. Environmental practices in supply chain: 1. purchasing and using re-cycled materials for packing supporting, and encouraging suppliers on reducing waste is Corporate social responsibility, with proper governance, in an organization in order to take environmental or pollution conditions in supply chain: 2. Meeting standards for protecting environment in the process of life cycle management, product, packaging and storage, and a preference should be given to re-cycled materials, and if the plant is getting materials re-cycled for their purpose, and reversible process for water treatment, and thus implement this process for sustainable process in supply chain.. 3. Supporting and protecting suppliers to implement process, and the life cycle that are appropriate for sustainable environment protection. Protection of human entity in supply chain, and maintaining life cycle in supply chain as a part of corporate social responsibility.
- 3. Occupational health and safety in supply chain: 1. having appropriate place in the organization and to ensure, that all employees can benefit from legal right, and work in condition that do not jeopardize or harm human health and safety. 2. Assuming or assuring that all safety and protection measures are in place for all activities. 3. Having procedure in place that are delicate products, and are stored under appropriate conditions, having security, and protecting the place under surveillance, so as to affect the safety in supply chain, and carrying out necessary procedure of maintaining the place in supply chain in a social responsibility environment.

Results:

Management of social issues in supply chain is increasingly becoming challenge and complex. The major challenge for a firm to counter social issues comes from both external and internal partners, in an organization. The firms adopt strategy which, while meeting parties demand also ensures performance corporate social responsibility, governance, is adapted by the firm to address social and society issues while achieving performance in supply chain. Supplier development by virtue of bringing performance improvement and governance is a core element in implementing corporate social responsibility.

Corporate social responsibility in Micro, Small and Medium enterprise play vital role in transferring responsibility along the supply chain, and they present a considerable amount of courage, as they impart greater vitality and growth, impetus Micro, Small and Medium enterprises in terms of output, employment, exports, and competency installing culture based on heightened technology. The Micro, Small and Medium enterprise represent a considerable amount to encourage collaboration, among the entities in the supply chain. As the organization is sufficient to disrupt Corporate Social responsibility, transfer flow along the chain, with legal authorities, trade association being the key players in supply chain, and are considered to be most appropriate entries for creating incentives in supply chain.



Discussions and findings:

Micro, Small and Medium scale enterprises dominate the supply chain, activities, and due to their size, these enterprises often face, disadvantages in terms of competitiveness, and the weakness is the inclusion, of the corporate social responsibility in their strategy, since small scale industries engaging in corporate social responsibility is an important aspect, to any organization, and also their financial success.

Micro, Small and Medium scale enterprise sees many obstacles in the issue, and very often they are depend on large scale organization or industries, that impose strict corporate social responsibility restriction or requirement, and also not being free to decide of its adoption. Micro, small and Medium enterprise has also the need to know how the necessity for a corporate social responsibility practices, and implement with the help of Large scale organization or enterprises, clients, and provide necessary training, and moreover share financial resources, low bargaining power, and absence of economies of scale, which embodies to make corporate social responsibility investment, and how hardly they can afford to benefit, as a Micro, Small and Medium scale enterprise. These results in Corporate Social Responsibility, governance, practices if the measure is taken from the corporate social responsibility, governance, report published by Micro, Small and Medium scale enterprises will serve an advantage.

In spite of all the barriers Micro, small and Medium scale enterprises presents unique, and valuable characteristics, since their small size enables them for informal relationship, trust and consequently with the flow of communication. Micro, small and medium must not be forgotten, and involvement in corporate social responsibility with supply chain partners due to inter-dependency among all entities in supply chain is a great benefit.

Future work and conclusions:

Corporate Social Responsibility, Governance in supply chain Conclusions:

- 1. **Effect relationship with society in supply chain:** 1 Develop strategies, and carry out program for handling good suppliers, and developing local suppliers in supply chain in a phased manner in order to bring trust in corporate social responsibility in supply chain. 2. Provide active participation in the organization by organizing non-profit social activities such as volunteer work, and in some organization sports activities have been taken up, updating of knowledge, and a public education system in supply chain.
- 2. Human rights and working conditions in supply chain: 1. Having an appropriate procedure in place to assure that all employees can benefit all their legal rights, and are working in accordance with rules, regulations, and international standards. 2. Having a procedure, and also have a mechanism to monitor providing equal opportunities for every employee working in supplier organization, and giving the human right to work, and giving the supplier an appropriate right to be out of life cycle, and giving preference to legal right in supply chain. 3. Arriving that physical, and psychological working conditions complying with all rules, and regulation in place set according to the Act, in order to bring in healthy and safety parameters into the organization as per supply chain.

Corporate Social Responsibility, governance with strategic importance is growing in supply chain, as Corporate Social Responsibility, has become very competitive, as suppliers does have direct impact on the costs, quality, speed of delivery, responsiveness, effectiveness, also the activities in supply chain.

Globalization, outsourcing have resulted in the development of a complex network, locating Corporate Social Responsibility, governance in several countries, with different regulations, as suppliers have different ethical, social, environmental, systems adopted under supply chain.