

## CORPORATE SOCIAL RESPONSIBILITY: A SUSTAINABLE APPROACH FOR THE SPORTS DEVELOPMENT

Awadhesh Kumar Shirotriya\*

---

\*Sports Officer, Birla Institute of Management Technology, Greater Noida (UP), India

\*Founder Secretary, Play India Play (Trust)

E.Mail:aks144@gmail.com

---

### Abstract:

Indian sports fraternity brought many laurels for the country from various International Sports festivals such as Olympic, Common Wealth, and Asian Games and sports laurels continuously making a rapid progress in the field of sports. CSR is become an interest of many companies and thus various research studies are conducting in the academia as well as industries also. CSR can provide a great momentum for the maximum pace of the sports development in the society. No doubt progress can only be made by the collective efforts by every citizen of India for making India as super power in the field of Games and Sports. Apart from the Government, Companies, individuals should also make some efforts in terms of “**Complimentary Self Responsibility**” for laying down the actual development on the real ground instead of papers or reports.

**Key Words:** - Corporate Social Responsibility, Sports, Sports Development, Sports Industries

### Introduction:

Recently Eastern India CSR Summit has taken place at Calcutta and during the summit Mr. Sarbananda Sonowal, Sports Minister of India has requested to Corporate houses to extend their CSR support to make India the super power in the world of sports apparently this request is actually needed at this time as recently Indian sports fraternity brought many laurels for the country from various International Sports festivals such as Olympic, Common Wealth, and Asian Games and sports laurels continuously making a rapid progress in the field of sports .Undoubtedly India is famous for the old diverse culture, languages, food and moral values, but it is also true that apart from these qualities, Sports sector also apparently clinched a worldwide attention due to many sports achievements created in the past few years. Though the Ministry of Sports and Sports/Games federations are responsible to promote and upgrade the sports in India , these two agencies are required help from the society and the Corporate houses. No single agency can bring the positive changes unless collective efforts is made for the common goal. If we are talking about the sports talent in India, undoubtedly we are having numerous talents but the bitter truth is these talents are still waiting for the professional technical support and other best possible help.

### Corporate Social Responsibility:

The origins of Corporate Social Responsibility (CSR) lie in philanthropy, the oldest social initiative among American private enterprises (Godfrey, 2009). CSR is become an interest of many companies and thus various research studies are being conducted in the academia as well as industries also. In the business community, CSR has emerged as a significant theme underpinning moral, financial, and ethical judgments of corporate

*‘Curiosity is the best Quality of a Good Researcher’*

activity (Lockett, Moon, & Visser, 2006; Windsor, 2006). CSR is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives (“Triple-Bottom-Line- Approach”), while at the same time addressing the expectations of shareholders and stakeholders. In this sense it is important to draw a distinction between CSR, which can be a strategic business management concept, and charity, sponsorships or philanthropy. Even though the latter can also make a valuable contribution to poverty reduction, will directly enhance the reputation of a company and strengthen its brand, the concept of CSR clearly goes beyond that. Now a day’s new department “CSR Team” has been started in almost every organization. The members of CSR team members are only responsible to develop productive strategies to promote CSR activities for the betterment of the society and the branding of the company. In recent years, CSR as a strategy for the promotion of games and sports has been gaining recognition around the globe. The inclusion of the CSR mandate under the Companies Act, 2013 is an attempt to supplement the government’s efforts of equitably delivering the benefits of growth and to engage the Corporate World with the country’s development agenda. Under the Companies Act, 2013, any company having a net worth of Rupees 500 Crore or more or a turnover of Rupees 1,000 Crore or more or a net profit of Rupees 5 Crore or more should mandatorily spend at least 2% of last 3 years average net profits on CSR activities as specified in Schedule VII of the Companies Act, 2013. The Companies Act, 2013 has introduced the idea of CSR to the forefront and through its disclose-or-explain mandate, is promoting greater transparency and disclosure.

#### **Corporate Social Responsibility in the Sports Sector at Global Level:**

Almost every sector is now encapsulated with the power of CSR, sports is obviously one of them. The concept of CSR in sport is a highly appreciable, for increasing growth of the games and sports. CSR can provide a great momentum for the maximum pace of the sports development in the society. As sport becomes an increasingly prominent economic and social institution across the globe, the question of what social responsibilities athletes, coaches, team owners, league officials, and global sport organizations’ personnel have should constantly be asked (Godfrey, 2009). Social responsibility has also become increasingly prevalent in the sport industry. For example, the Federation Internationale de Football Association (FIFA) has made significant investments regarding social responsibility, "more than 40 percent of FIFA’s income goes directly towards supporting the grassroots of the game, development work, and partnerships with relief organizations" (FIFA Activity Report, 2002-2004) Adidas Group has launched two new corporate responsibility publications which cover working conditions, the environment, community affairs, and employee programs (Adidas Group, 2008). The ‘Special Olympics’ movement is a perfect example of a sports organization, which employs an altruistic sense of CSR covering much unexploited commercial potential. FC Barcelona’s collaboration with UNICEF is another example of a professional sports organization applying strategic CSR for commercial reasons.

#### **Corporate Social Responsibility in the Sports Sector in India:**

*‘Curiosity is the best Quality of a Good Researcher’*

Within the compulsion of the Company Act 2013 now Companies/Corporate Houses are extending their CSR activities work in Sports sector also. Recently Sports Ministry, Govt. of India Revised Rashtriya Khel Protsahan Puruskar Scheme in that revised scheme, Rashtriya Khel Protsahan Puruskar will be given in a specific category for 'Encouragement of sports through Corporate Social Responsibility'. As 'Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports' have been included in the Schedule VII of the Companies Act 2013 and the companies can now spend on promotion and development of sports from the funds earmarked for Corporate Social Responsibility (CSR). There are so many reasons why CSR has been gaining more attention of the companies specifically in the Sports sector the probable reason may be sports is not merely a physical activity but now sports sector has become "Profit making Industry". The sport industry has been characterized as a lens through which to see the larger social perspectives of symbolism, identification, community, and sociability (Hunt, Bristol, & Bashaw, 1999; Melnick, 1994; Sutton, et al., 1997) due in part to the strong affective connections of sport fans. Though there are few PSU's and Companies come forward to delimit their CSR activities in sports areas but who so ever are extending their support is a matter of great concern for the development of Sports at Grass root level in India. Following are the Companies/ Corporate House in India which are working in Sports Area under the banner of CSR:-

| Companies /Corporate House | Nature of Activities  |
|----------------------------|---|
| Tata Steel                 | Tata Steel doing contribution to infrastructure and providing sports facilities to potential talents. Tata Steel has done some splendid work in terms of fully funded residential academies for football, Athletics and Archery. Tata Steel has created infrastructure for training for 18 other sports disciplines and 4 Feeder Centers in rural areas.  |
| ONGC<br>Indian Oil         | Promoting Sports/sports persons and supporting agencies Indian Oil Sports also awards scholarships to promising young players with a view to encourage talent and create a pool of sportspersons from whom to select sport appointees to the Corporation  |
| Oil India                  | The Company has supported the youth and women organizations in a big way. The support is mainly in terms of financial assistance towards enabling the different organizations in carrying out their developmental activities. OIL places a heavy accent on sports. Besides sponsoring national ranking tournaments every year, the Company recruits promising young players and gives them every opportunity to advance their sports careers. |

|                                       |   |
|---------------------------------------|---|
|                                       | OIL has taken up schemes of holding exhaustive football camps with trained coaches to provide professional training in the rural areas of Upper Assam. OIL is also promoting rural sports by developing several village playgrounds and organizing different games in the oilfield areas.   |
| Hindustan Aeronautics Limited         | Sports and Games are conducted with a view to bring improvement in Physical Fitness and Health of the youth living in the nearby villages of HAL Divisions. It helps in building/improving the congenial Social Relationships between youth of nearby villages and the Organization.  |
| Coal India                            | Promotion of Sports of different event in coalfields including nearby villages.   |
| Jindal Steel and Power Limited (JSPL) | Sports and cultural bonding to engage rural youth into meaningful activities and events, by setting up gymnasiums, stadiums, regular coaching camps for various sports, hosting tournaments for cricket, volleyball and kabaddi, promoting promising sports persons from local communities, participating in the community rituals and festivities. JSPL is committed towards encouraging sports activities in its operational areas with a motive to channelise youth energy towards a positive direction. |
| SBI Life Insurance                    | Support sports amongst underprivileged and differently abled children by providing sports equipments, sport kits, providing requisite infrastructure equipments, sponsor students for National/ State level and/above championships, support sports activities conducted in schools.  |
| Vedanta                               | Vedanta Group company's initiative to promote sports and sportsmen goes back almost 4 decades when the company made its football stadium at Zawar in Rajasthan in 1976. The company also has a general sports stadium in Rajsamand district in Rajasthan. Other than this Vedanta Provides Corporate Sponsorship to the National Teams and Players.   |
| <b>Reliance Foundation</b>            | <b>Reliance Foundation</b> with National Basketball Association (NBA) launched the Reliance Foundation Jr. NBA Programme to build a holistic sports culture among children through basketball.  |

### Concluding Comments and Suggestions:

Sport can be a productive medium of CSR because sports teach us values and sportsmanship that is pre requisite for creating good business models which may develop the business in strategic and commercial areas. Today Games and sports are considered as integral mean to all-round development of the individual by involving in games and sports one can develop physical health, mental health and physiological aspects and psychological thinking. Sport organizations have mass media distribution and communication power and youth appeal (Tacon and Walters, 2010). Because of this important role, impact and visibility of sport in society, CSR can address social issues more effectively. Besides, CSR in sport can play very important role in influencing stakeholder attitudes and buying behavior, so, sport related bodies can benefit through their CSR approach such as protecting and maintaining their corporate reputation, competitor differentiation, fan loyalty development, competitive advantage, improved financial performance, recognition, a better image, improved relations with community, greater feasibility and performing ethical or philanthropic behavior (Filizoza and Huneb, 2011).

As the saying goes that "Something is better than Nothing" the initiatives already taken by the Government is really helpful and appreciable. Perhaps every initiatives are surrounded by the many pros and cons here when we are talking about the CSR compulsion in terms of sports development in India than we can find that As per the schedule VII of the Companies Act 2013 'Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports' has become mandatory for the CSR activities in sports but in my opinion for the actual development of sports at grass root level following thrust areas have also be included in the CSR activities by the government under the act :-

Searching and Grooming Sports Talent across the country especially in the tribal belts.

Providing Facilities

Sports Equipments

Modern Playfields (Synthetic Track, Astro Turf etc.) and other relevant sports infrastructure.

Organizing Technical Coaching camps and workshops.

Organizing Sports Competition specifically build up and main competitions have to be organized for getting the perfection and to percept the capabilities of the players.

Sponsorship and donations for Research and Development to the talented players, national games federations and NGO's who are working for the sports development.

Sponsorship for the Faculties/Scholar in the field of sports management, sports sciences and physical education.

Educational initiatives for the budding sports talents.

Health-related initiatives

Community development programs

Foreign Exchange Programs in the areas of coaching and training for the Coaches and Physical Education Personnel.

To give a right direction for the budding sportsmen it may also be interesting if educational institutions i.e. Schools, Colleges, Universities etc. (Those are having good facilities for sports) come forward to extend their support to the development of sports at grass root level

***'Curiosity is the best Quality of a Good Researcher'***

in terms of providing Playgrounds facilities and other sports facilities along with Physical Education and Sports department manpower then. Considering the figures on turnover, it would be difficult and also very expensive to create a new infrastructure and then maintain it. The policies has to be frames in such a way that educational institutions goal will not be suffer due to implication of this suggestion. It is very common to see in the present scenario that group housing societies are also taking keen interest in the sports related issues and that's why they are offering world class sports facilities in their premises. If they also can provide their support to the deprived sports talents, then I am sure they could learn and earn good fame in the field of sports.

No doubt progress can only be made collective efforts of every citizen of India for making India as Super power in the field of Games and Sports. Apart from the Government, Companies, individuals should also make some efforts in terms of “**Complimentary Self Responsibility**” for laying down the actual development on the real ground instead of papers or reports.

Involvement of CSR in sports sector has also opened new avenues for investigation of socially responsible initiatives for Sports Management scholars. This paper may also be further extended to examine the potential return of CSR investments with special reference to sports development at grass root level. One can also examine the impact of sponsorship through CSR on organizing mega sports events.

#### References:

- Athanapoulou, P., Douvis, J., & Kyriakis, V. (2011). Corporate social responsibility (CSR) in sports: Antecedents and Consequences. African Journal of Hospitality, Tourism and Leisure.
- Blowfield, M., & Murray, A. (2011). Corporate Responsibility. Oxford University Press Inc., New York.
- Evolution of corporate social responsibility in India. Retrieved 12 March, 2015, from: [http://en.wikipedia.org/wiki/Evolution\\_of\\_corporate\\_social\\_responsibility\\_in\\_India](http://en.wikipedia.org/wiki/Evolution_of_corporate_social_responsibility_in_India).
- Filizoza, B., Fiuneb, M. (2011). Corporate Social Responsibility: A Study of Striking Corporate Social Responsibility Practices in Sport Management. Procedia Social and Behavioral Sciences.
- Handbook on Corporate Social Responsibility in India (2013). Retrieved from: <http://www.pwc.in/assets/pdfs/publications/2013/handbook-on-corporate-social-responsibility>.
- Kent, A., & Walker, M. (2009). Do Fans Care? Assessing the Influence of Corporate Social Responsibility on Consumer Attitudes in the Sport Industry. Journal of Sport Management.