Corporate Social Responsibility in Indian Apparel Industry

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Abstract : Indian apparel manufacturers see several benefits of Corporate Social Responsibility (CSR). At the same time, they clearly face steep challenges in its implementation. From the perspective of the participants, the challenges tend to outweigh the benefits. The short-term expenses, misperceptions about the financial benefits of CSR and the additional burden of implementing CSR-related policies and activities tend to overshadow perceptions of the long-term benefits. CSR activities currently seen in the Indian apparel industry are primarily people focused, society-focused or environment-focused. However, most CSR activities focus on employee welfare, including teaching employees about health and safety awareness, creating opportunities for community building, and providing general education to employees. Employee retention is very high in socially responsible Indian firms as compared to non-CSR firms, largely because CSR plays a crucial role in overall employee satisfaction, which translates to worker loyalty and low turnover. Employee retention and commitment are not the only potential benefits of CSR in the Indian apparel industry. CSR can also enhance a company's image. Although it is a long-term benefit, being socially responsible can build a company's social reputation and help it to gain others' trust. Buyers do not hesitate to do business with these companies, since it is difficult to find socially responsible firms in India.

Keywords : corporate social responsibility, apparel industry, workers, improve work life

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